FBIS DAILY REPORT

CONTENTS

Latin America

9 Jun 87 FBIS-LAT-87-110 i

CARIBBEAN

CUBA

Costa Rica Admits Airport Used To Supply Contras A 1
U.S. Ambassador to Mexico Denies Pressuring Mexico A 1
Castro Discusses Cooperatives, Electrification A 2
New CDR Night Watch System Created in Havana A 7
Briefs: Ambassador Leaves Austria; Ambassador Appointed A 7

OTHER COUNTRIES

HAITI

Communists State Position, Announce New Radio B 1
Students Issue Resolution on University Situation B 2

CENTRAL AMERICA

EL SALVADOR

Rebels Report on Honduran Helicopter Overflights [Venceremos] F 1
Venceremos Reports Sabotage in San Salvador F 1
FMLN Claims 22 Army Casualties in La Paz 2 Jun [Venceremos] F 2

NICARAGUA

Government Decrees Increase in Fuel Prices I 1
PETRONIC Official Discusses Fuel Crisis [EL NUEVO DIARIO 4 Jun] I 1
EPS Begins Offensive Against Contras in Region 6 I 3
D'Escoto Leads Delegation to Nonaligned Meeting I 3

PANAMA

Delvalle Stresses Unity of Government, FDP J 1
Suspension of Individual Rights Underway J 1
FDP Units Sent to Col Diaz Herrera's Home J 2
Arrest Ordered J 2
Diaz Herrera Sends Message to Gen Noriega J 2
Noriega Responds J 4
FDP Officers' Manifesto Supports Gen Noriega J 5
Diaz Herrera on Bush's Knowledge of Torrijos Death J 5

Opposition Legislators Walk Out of Assembly J 6
UNADE Legislators Issue Resolution J 7
Diaz Herrera Meets With Authentic Panamenist Party J 8
Arias Claims Presidency, Willing To Assume Power J 9
Calls for Noriega's Removal J 10
Diaz Herrera Interview on FDP, PRD, Torrijism J 10
Talks on Politics J 12
Discusses Spadafora Killing J 16
Holds News Conference J 17
Gives Documents to Archbishop J 24
Opposition Leader Discusses Current Situation J 25
PRD President on Diaz Herrera J 27
Assembly President Discusses Case J 28
Spadafora's Brother Views Crisis J 29
Church Issues Statement J 30
Chamber of Commerce Calls for Investigations J 31
MOLIRENA Issues Communique J 31
Bethancourt Charges U.S. Seeks To Keep Bases J 32
Commentary on Abrams' Role in 'Irangate' J 33

SOUTH AMERICA

ARGENTINA

Foreign Minister Caputo Discusses Falklands K 1
Further Comments K 1
British Interviewed on Issues K 2
Alfonsin Meets With Air Force Chief Crespo K 3
[BUENOS AIRES HERALD 6 Jun]
Jaunarena Denies Resignation, Discusses Military K 3
President Alfonsin Departs for Geneva 8 June K 4

BOLIVIA

Government, Peasants Agree on New Antidrug Measures [EFE] L 1
COB Issues Report on Cochabamba Incident L 2
'High Powered Bomb' Explodes at Newspaper Office [AFP] L 2

CHILE

Del Valle on U.S. Letelier Request, Bolivian Outlet N 1
To Reply to Bolivia 'This Year' N 2
Santiago Intendant, 23 Under Secretaries Resign [EFE] N 2
Pinochet Speaks at Infantry School Ceremony N 3

PERU

State of Emergency Extended in Two Provinces [EFE] R 1
Resolution Appointing New Police Chiefs Released R 1
Government, Auxiliary Police Discontinue Talks R 2
Police, Soldiers Sent To Fight Uchiza Traffickers [EFE] R 2
Guerrillas 'Control' Province [EFE] R 3

SURINAME

New National Democratic Party Proclaimed W 1
DE WARE TIJD Newspaper Resumes Operations W 1

COSTA RICA ADMITS AIRPORT USED TO SUPPLY CONTRAS

PA081909 Havana International Service in Spanish 2300 GMT 5 Jun 87

[Report by Francisco Urizarbi, from San Jose, Costa Rica]

[Text] Although it previously denied it, the Costa Rican Government has admitted that Lewis Tambs, the former U.S. Ambassador in San Jose, asked President Oscar Arias over the telephone not to make public the existence of an airport used to send supplies to the Nicaraguan contras. Costa Rican authorities had previously denied it, but have had to admit it now that it is a known fact. The situation, which occurred in September 1986, was reported then. The airstrip is located in Potrero Grande, near the Nicaraguan border. It was built and operated by the CIA to send arms and supplies to the contras.

Although on Thursday Presidency Minister Rodrigo Arias confirmed Tambs' call, he denied that the former ambassador threatened to suspend U.S. economic aid to Costa Rica if the recommendation was not accepted. Costa Rican authorities content that the existence of the airstrip was not made public at that time in order not to affect friendly relations with Washington, although it flagrantly violated the much vaunted Costa Rican neutrality.

U.S. AMBASSADOR DENIES PRESSURING MEXICO

PA081731 Havana International Service in Spanish 2300 GMT 5 Jun 87

[Report by Luis Mazorra from Mexico City]

[Text] U.S. Ambassador Charles Pilliod has denied his country is pressuring Mexico on the subject of drug trafficking, so it will change its policy toward Central America. He admitted however, there are differences of opinion in some areas. During a forum organized by leaders of the ruling party, PRI, Pilliod said that the United States and Mexico coexist peacefully. There are differences of opinion on some subjects, but they can be settled, he said.

Pilliod was recently charged with what the press and Mexican authorities described as interventionist attacks against Mexico. His statement follows an emphatic statement by President Miguel de la Madrid, who said that his government rejects charges concerning drug trafficking. De la Madrid stressed the United States is primarily responsible for drug trafficking.

Meanwhile, local businessmen said U.S. economic protectionism is harmful for Mexico's development. Senator Alejandro Sobarzo, a participant in the U.S.-Mexico forum said: U.S. tariffs on Mexico's exports are severely affecting our economy.

However, Pilliod said that it is very important for his government to have a strong, prosperous and democratic country on its southern border. We are always ready to collaborate with you, he added. Regarding Central America, a topic that according to observers is one of the most critical points of disagreement with the United States, Ambassador Pilliod said: We must admit that Mexico's policy is good; nevertheless, we also have a good policy.

CASTRO DISCUSSES COOPERATIVES, ELECTRIFICATION

FL031917 Havana Tele-Rebelde Network in Spanish 0100 GMT 21 May 87

[Highlights of exchange between Fidel Castro and delegates to the Seventh Congress of the National Association of Small Farmers, ANAP, at Havana's Palace of Conventions on 20 May; all delegates identified by caption -- recorded]

[Excerpts] [Passage omitted] [Julio Cesar Aguilera, Granma] If we work and make half of the land owned by the CPA [Agriculture-Livestock Cooperative] and the Credit and Services Cooperative productive, our production figures will increase threefold or perhaps more. We have 52 caballerias, and 45 partners own the land. We founded the Credit and Services Cooperative in 1979 and the average milk production we sent to the ECIL [Dairy Industry Consolidated Enterprise] every day was 241,000 kg [as heard] of milk. The average milk production has never been less than 183,000 kg -- and we had no resources at all. We only received some resources this year.

I tell my comrades: If we decide to organize a CPA here and pool our efforts to get some equipment to improve the grazing areas and get fertilizers, the production will increase threefold because there is strength in unity. This is a fact and they should believe it. Our cooperative is located near Bayamo; it is located 16km from Bayamo, in front of the Bayamo combine pig farm. The comrades of the cooperative have asked us many times: Why is it that our cooperative never receives any kind of aid?

We are surrounded by a network of power lines, which were laid 1 km on either side of our land. The pig breeders have electricity in all their units; and a large zone -- including Peralejo, (Dedimitrio), and all those other places -- has electricity. We say: Well, perhaps our time to get electricity is yet to come. Perhaps we will get electricity some day. We also have another problem there.

[Castro, interrupting] Wait, wait. Where do you need the electricity?

[Aguilera] What?

[Castro] Where do you need the electricity?

[Aguilera] What did he say? [Someone whispers: "He wants to know where you need the electricity"]

[Castro] You say there are power lines on either side.

[Aguilera] Yes, but we...

[Castro, interrupting] I want to know where you nee the electricity. The isolated houses? The isolated farms? Do you want a power network for each house? Why do you want electricity?

[Aguilera] Because other zones...[Aguilera corrects himself] other credit and services cooperatives, which are less productive and have less resources, have electricity.

[Castro] Are the houses isolated or do they live in some kind of village?

[Aguilera] Isolated houses. Some of the houses are isolated.

[Castro] Do you think that thousands, tens of thousands of kilometers of electric lines can be laid out for every isolated house?

[Aguilera] No, no. I agree...

[Castro, interrupting] Do you think that the industrialization, development, and urbanization of the countryside would be possible this way?

[Aguilera] I know that this would not...

[Castro, interrupting] Would this lead to the creation of communities?

[Aguilera] I know that it would...[Aguilera corrects himself] that it would not, Commander.

[Castro] The costs are higher.

[Aguilera] Correct.

[Castro] Just imagine how many transformers must be installed to connect each one of the 48 houses.

[Aguilera] Correct. I know that this can't be done. What my comrades mean is that other credit and services cooperatives, which are even bigger than ours, have electricity; and...

[Castro, interrupting] Are the houses near each other?

[Aguilera] No, no, no. They are just like ours. They are isolated.

[Castro] Are your houses located along a road?

[Aguilera] Most of the houses are located along the road.

[Castro] I see.

[Aguilera] The most important livestock installations are located along the road. That road links Penalejo, Virey, and San Pablo de Yao.

[Castro] I think that the electrification process should be carried out parallel to the development of our countryside.

[Aguilera] Of course; that is how it should be done.

[Castro] We would accomplish nothing by spending large amounts to bring electricity to the small farms and isolated houses throughout the countryside.

[Aguilera] I know that is true but still...

[Castro, interrupting] If those people got electricity... [changes thought] It is worse in other places. People have installed their own connections in many places.

[Aguilera] That's true.

[Castro] People have put... what do you call them? [someone says; "Illegal hookups"]

[Castro] Yes, illegal hookups and all that. There is no organization whatsoever.

[Aguilera] Yes, yes; but that is done in many areas.

[Castro] I think that the electrification process in the countryside must be carried out parallel to the development of our cooperatives, just as it was done with the schools, collection centers, dairy farms, and all that.

[Aguilera] That is how it should be done. Precisely. That is why my comrades say that other cooperatives have electricity; so how about installing a line for us.

[Castro] We will not use modern energy systems for old-fashioned agricultural installations.

[Aguilera] Right. [passage omitted]

[Francisco Suarez, Havana] We are seriously working in our province.

[Castro] What do you grow?

[Suarez] Each cooperative... [Suarez corrects himself] the large cooperatives use 1 caballeria for their gardens. Many of them -- like ours and the [name indistinct] -- have set aside 1 caballeria for the vegetable gardens. We have begun to sow it; we have radishes, string beans, and...

[Castro, interrupting] What can you grow in summer?

[Suarez] We can grow everything in summer. We can produce everything. We will have string beans, radishes, and lettuce. There is a new variety of lettuce and it is very good.

You can sow it around this time of year; this has been proved in San Antonio de los Banos. The cooperatives in San Antonio de los Banos have sown it and the lettuce looks magnificent. They also have okra, which grows all year long. [laughter] The same goes for pepper. We plan on growing 30 different kinds of vegetables.

[Castro] You will have to calculate this carefully to see which product will be most in demand among the people.

[Suarez] Exactly. That is important because...

[Castro, interrupting] You must know how much radish, string bean, okra, and eggplant you need.

[Suarez] Yes, the...

[Castro, interrupting] You must see what the demand is.

[Suarez] That is the important thing. We must know what the people will buy so we may...

[Castro, interrupting] The people have lost the habit of eating certain things. [laughs] For example, okra.

[Suarez] Yes, you don't see that any more. [passage omitted]

[Castro] We have the case of the Caujeri Valley, where nothing has been achieved even though they were given many resources to develop the valley; this was a tragedy. The valley was a tragedy. Well, we wasted our time. We even had hopes a copper mine would be found there. The geologists thought they had found a mine where the main dam was going to be built. Well, this delayed everything.

We sent new equipment, but the program to build dams failed there. Only a few caballerias have received water there. Anyway, the main thing is this: When we began the program in that valley the local production was 17,000 quintals and the average family income in Caujeri was 300 pesos. The agricultural production has currently risen to 200,000 quintals and the family income is now 3,000 pesos. The plan has not been finished, they still have only a little bit of water. The new dam, and another one after it, will be used to irrigate almost everything. The production has increased twelvefold and the family income increased tenfold -- from 300 to 3,000 pesos. Imagine what would the valley's production be if the program to build dams had not been delayed. You can clearly see how an adequate investment increases production and the people's income in the area.

The situation was terrible, really terrible in that area. We also lost time; we failed to work with as much dynamism as we are working with now in Pinar del Rio Province -- this doesn't only include Vinales but all the province. What is the Caujeri Valley's importance? It is not only important due to the amount of products or vegetables that can be produced there it is also important for what can be produced in summer, given the valley's microclimate. It is some kind of gigantic hydroponic installation that could supply a considerable amount of vegetables in summer, when it is much more difficult to produce them in Havana given the heavy rains and general conditions.

You can raise tomatoes there perfectly well in July, August, and September; that valley can become a gold mine. We found out in Vinales we had lost interest in our plans to build waterworks. We are reorganizing the brigades to carry out that work. I wonder how many other places we have in the country that are like Vinales. I was surprised because you have been able, by using dams and small dams, to accumulate 30 million cubic meters. Imagine how this would guarantee all our crops year after year! I think this is an example of how we must work; and I hope Vinales will become a prototype of what can be done in many places.

[Leovildo del Toro, Guantanamo] Commander, eight agrarian and livestock production cooperatives were created following your visit in 1977. Those cooperatives merged to form four. We are working to fulfill our production goals. We must produce tomatoes during the summer months. Right now we have approximately 74 caballerias planted with tomatoes. We think the valley's overall production will be 225,000 to 250,000 quintals of tomatoes, and we have already begun to harvest the first tomatoes. [passage omitted]

[Castro] We have to work tenaciously, constantly, and thoroughly to really avail ourselves of every opportunity to exploit the land and apply all the techniques, thus ensuring production. It is clear this type of work [changes thought] We are clearly aware of what the main problem in Camalote is. There is no land to build the canals, and all the dams have been built. Furthermore, some of the peasants have organized cooperatives but others have not, and they are all living in the same area. One of the main problems is building the canals for the water that will irrigate the land, because there are many small farms. I know the valley where the Republica de Chile Cooperative is located very well. You should see the changes there! The people achieved...[changes thought] Unfortunately we cannot accomplish what we have accomplished there everywhere. That would be the ideal thing. The people use the land judiciously because they live in apartment buildings, but nothing would be possible without the cooperative. Do you understand that? The place is full of small farms and these make everything difficult.

Just think of the problems a local cooperative has with crop dusters. You can hardly use a crop duster in an area full of small farms. Impossible! You cannot use them to irrigate the area or spray fertilizers and weed killers. Just imagine the rice fields, which are sown by plane. All the rice fields in the country would not have been possible if they had been small farms. You cannot use harvesters in isolated farms; that is absolutely impossible. Hence the importance of the cooperative movement. In other words, it is not fanaticism. It is not a matter of creating cooperatives just to say: Let us socialize the land for the sake of socializing the land, or let us socialize production for the sake of socializing production. No! Individual production in small farms clashes with the enforcement of the most productive techniques, the agricultural sciences, and the irrigation plans that guarantee our production. This simply cannot be done -- at least not on a large scale. There is no possibility of using bulldozers, tractors, irrigation systems, harvesters, and airplanes. All this would be impossible. That is why it became necessary to organize cooperatives to complete the country's agricultural development. A lot of progress has been achieved in cooperative development plans within a few years. There is no doubt about this. Many cooperatives are excellent production centers due to the storage and agricultural plans.

The analysis, discussion, and programming of agricultural production in 2,000 large cooperatives is not the same as planning and organizing everything for 150,000 to 200,000 independent farmers and storing what they produce. You don't know how much agricultural work can be simplified when agricultural production is based on state-owned enterprises and cooperatives. This will simplify and facilitate all the agricultural work, the distribution of raw materials, and the storage of products, not to mention an improvement in the peasants' living conditions.

[Del Toro] We must make plans to provide guidance to the children of cooperative members -- meaning the children of peasants -- so they will study agronomy and mechanization. We analyzed the youth's future and this does not seem too certain. Why do I say this? Because we have not been able to influence our children -- the blame mainly falls on the cooperative members -- or to encourage their love for the land.

NEW CDR NIGHT WATCH SYSTEM CREATED IN HAVANA

FL031333 Havana Radio Progreso Network in Spanish 1100 GMT 3 Jun 87

[Text] A new peoples' watch network [sistema de guardia popular] will begin operating this month in 300 CDR [Committees for the Defense of the Revolution] zones and it is expected to cover all CDR zones by October. This was reported during a meeting held with secretary generals of the Communist Party of Cuba [PCC] mass organizations in zones and districts of Havana. The meeting was presided over by Jorge Lezcano, member of the PCC Central Committee and first secretary of the PCC in Havana.

With the new system, CDR members will be on watch from 10 pm until 1 am and previously selected night watchmen will keep guard from 1 am until 6 am.

BRIEFS

AMBASSADOR LEAVES AUSTRIA -- The president of the Austrian Parliament has met in Vienna with Cuban Ambassador to Austria Gustavo Mazorra who is concluding his diplomatic mission in Austria. Mazorra said they exchanged opinions on the friendly development of bilateral relations. [Summary] [Havana International Service in Spanish 0000 GMT 5 Jun 87 PA]

AMBASSADOR APPOINTED -- The Council of State has appointed Comrade Faustino Manuel Beato Morejon, member of the Communist Party of Cuba Central Committee, as ambassador extraordinary and plenipotentiary of the Republic of Cuba to the Hungarian People's Republic. [Text] [Havana Tele-Rebelde Network in Spanish 1100 GMT 5 Jun 87 FL]

HAITI

COMMUNISTS STATE POSITION, ANNOUNCE NEW RADIO

FL050012 Port-au-Prince Radio Haiti-Inter in Creole 0100 GMT 3 Jun 87

[Text] Leaders of the Unified Party of Haitian Communists [PUCH] held a news conference this morning at party headquarters on the Champ de Mars to state the party's position on the situation and to announce they are going to open a radio station, which they are going to call Radio Verite. [passage indistinct] the radio reach all over the country and also so they could even make it heard abroad.

OK, that is what they said.

They want the radio to begin broadcasting before the presidential elections. They say anyone will be allowed to speak over the radio even if the person does not share their views.

Rene Theodore talked about the massacre that took place on 2 June 1969 on Ruelle Nazon in which Gerald Brisson, Daniel Sansaricq, Gerard (Wadestrant), Jacques (Janeau), (Licler) Casseus, and more than 20 others lost their lives. Rene Theodore also talked about many other things, such as the matter of judgments against the (?Duvalierists). He also talked about elections, migrant Haitian canecutters in the Dominican Republic, and contraband. That is what Theodore had to say about these things.

In the text of the PUCH communique: In the 29 March referendum, we of the PUCH called on the people to vote "yes" to the Constitution, and we explained why many other sectors, in the same spirit, had also asked the people to vote "yes." You voted "yes" en masse. From back when the referendum was being prepared, through the voting, through the promulgation of the Constitution, up to the decree establishing the Provisional Electoral Council, it has been obvious that the provisional CNG [National Government Council] has consistently encouraged disputes in order to make each step along the path to democracy more difficult. Thus today, like yesterday, the country remains divided into two camps -- one which is in favor of democracy and one which is in favor of a coup d'etat. Those in favor of establishing democracy, of anchoring democracy in Haiti, are those who defend the Constitution. Those who wish to thwart the will of the people so they can continue to keep the repressive regime -- a regime without freedom of expression, a regime of privileged, rapacious big shots, a corrupt regime -- are in favor of a coup d'etat. Those are the people who were in favor of fraudulent elections.

We of the PUCH, says the communique -- we are repeating for you -- we today have (?an obligation) to ask the people to use their brains and their guts to support the Provisional Electoral Council in the struggle it is waging to [passage indistinct].

Well, you heard what they said [words indistinct], the gentlemen of the PUCH. They said that today all democratic forces -- all Haitians who want things in Haiti to change, who desire a greater well-being, in whatever domain -- must put their heads together to defend the Constitution in order to establish democracy.

At this point in time, there are two institutions that have a great responsibility for the future of democracy -- the Army and [words indistinct]. If the Army wishes to regain its dignity, it must embark upon the struggle to defend the Constitution, the struggle for democracy. If the [words indistinct] wishes to redeem itself, it must embark upon the struggle to have the Constitution respected, in order that democracy may be defended. That is what the PUCH had to say.

STUDENTS ISSUE RESOLUTION ON UNIVERSITY SITUATION

FL050420 Port-au-Prince Radio Haiti-Inter in Creole 0100 GMT 3 Jun 87

[Text] The Union of Port-au-Prince Students, Committee for Clearer Sight [Komite Lave Je] and Inter-"Seniors" [Inter-Philo] have made public the results of their big meeting at the School of Medicine on 28 May. A total of 56 Port-au-Prince schools were repesented at the meeting. Many issues were discussed before a resolution was reached. One of them was the maneuvers going on to spread division among them. The students discussed the government's decision to shut down the School of Nursing and to fire the rector [of the National University of Haiti]. They discussed those maneuvers, such as the underhanded moves to turn the university into a university at which one has to pay -- a way to fix it so that only the children of the well-to-do can attend the university.

The three groups say all these actions are part of the American Plan which the government is trying to implant in Haiti. Now, after all the contraband and the shutting down of factories, it is the university's turn. The students' statements were along that vein. They said: the school children of today are the university students of tomorrow. After all these discussions at the School of Medicine on 28 May, here is the position taken by the representatives of the 56 schools on the problems of the university.

We will read for you: First, we condemn all the censurable actions that the mass of "macoutes" are carrying out at the university. Two: We unreservedly support the National Federation of Haitian Students [Federation Nationale des Etudiants Haitiens -- FENEH] in the struggle it is waging in favor of autonomy for the university -- an autonomy that will permit students to wage a true struggle for the liberation of the Haitian people. Three: In that connection, we have decided to raise the consciousness of students in the schools regarding the problems of the university. Four: We will participate in all activities for which FENEH may have need of us. Five: We will show solidarity with FENEH in different ways, such as a) (?picketing) in front of schools, carrying signs, b) demonstrating, c) going on strike for a day and other such things, d) raising the consciousness of family members regarding problems.

The note ends like this: We ask all students to remain alert in order to keep an eye out for and denounce any negative action taken against the university.

For [hesitates], that is, it is [words indistinct] (Russo) who signs for "Clearer Sight"; (Egzil), also known as Jean-Jacques, for Inter-"Seniors", it is (Louis Bel) who signs. [sentence as heard] Below these signatures, they give the list of the 56 schools whose representatives were at the meeting.

REBELS REPORT ON HONDURAN HELICOPTER OVERFLIGHT

PA052123 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 4 Jun 87

[Text] In its effort to destabilize our people, imperialism has again propelled itself into the adventure of border conflicts. On Friday, 29 May, a Honduran Air Force helicopter flew several kilometers into El Salvador to support operations the Duartist Army is conducting in northern La Union Department. The Honduran craft flew over the hamlets of Las Lajitas, Upire, Guacamaya, Cerro Pena, and (Juana Castillo), in Poloros jurisdiction, from where it turned back toward Honduras.

Meanwhile, Honduran Army patrols have crossed into Fl Salvador north of Lislique and Poloros and over the Colorado (Pachuca), Meseta, Pena, and Guanacate hills, all of which are near the Honduran border. This was coordinated directly with the Duartist Army's Military Detachment No 3 of La Union.

These developments add to those recently reported by our general command. Our general command emphasized the danger of these adventures, set into motion at the orders of imperialism -- which faced with the defeat of its puppet troops, seeks the assistance of the Honduran Army, while attempting to ignore that these actions regionalize the war and cause more suffering to our peoples.

For Azcona Hoyo and his High Military Command, but particularly for his soldiers and the Honduran people, last Saturday's lesson in Honduras should be seriously considered to prevent making more mistakes as a result of Yankee orders.

On Saturday, 30 May, mercenary troops disguised as EPS troops attacked Honduran troops on El Aburrido hill on the Nicaraguan border. Honduran reinforcements frustrated the maneuver, killing seven and wounding dozens of contras and taking many prisoners.

The idea was to create a border conflict between Honduras and Nicaragua to give U.S. soldiers a pretext to directly intervene in the conflict. The maneuver failed, causing dead and wounded on both sides. The lesson for the Honduran Army is clear: No one can play war without suffering its consequences. The lesson is that it will be in the Honduran people's best interest to oust from Honduras the contra invaders who involve them in conflicts alien to Honduras' interests and to struggle more intensely to oust the Yankees, the root of all the problems the Hondurans are facing.

VENCEREMOS REPORTS SABOTAGE IN SAN SALVADOR

PA050436 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 4 Jun 87

[Text] Continuing with our permanent line of sabotaging the war economy of the regime, the clandestine guerrillas in San Salvador carried out sabotage and destroyed four telephone relay centers in the oligarchic residential area of Escalon. Now that the Duartist Army is increasing its criminal and forceful recruitment of our humble people, the war is starting to reach the doorsteps of the oligarchy's mansions. If Duarte does not recruit the children of the wealthy people to sweat and bleed to the death defending the millions of their parents at the war fronts, our war front, our firing line will reach the doors of the exploiters.

It has been reported from San Miguel that FMLN units set off explosive and incendiary charges at the San Esteban electricity substation, causing serious damage. Meanwhile, helicopters and troops from the 3d Infantry Brigade were patrolling the city of San Miguel and trying to block access roads in an effort to control the situation. However, our militias or clandestine guerrilla units that had entered through the [words indistinct] residential district left without any problem.

We warned the gorillas, we warned them we would be taking the war to their very own dens, and we are fulfilling this promise. For the achievement of bread, justice, work, and freedom, all people take up arms!

FMLN CLAIMS 22 ARMY CASUALTIES IN LA PAZ 2 JUN

PA031555 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 2 Jun 87

[Excerpts] On 2 June, FMLN guerrilla units staged a successful maneuver that included an annihilation attack on a [word indistinct] civil defense position in Santa Maria Ostuma, La Paz Department. At 0130 on 2 June, the clash began with fire from support arms and rifles. After the initial minutes of combat [words indistinct] first positions. At 0300, our units had full control over the enemy positions. [passage omitted]

The following war materiel was recovered during this action: 3 M-16 rifles [words indistinct]; 2 LAW M-172 rocket launchers; 1 M-79 grenade launcher with 25 grenades; 1 claymore mine; 400 7.72-caliber cartridges; [number indistinct] 5.56-caliber cartridges; [number indistinct] knapsacks, and other military supplies.

Our units totally destroyed the headquarters of the civil defense and distributed a great deal of propaganda.

On our part, we report the fall in heroic combat of Comrade Cornelio, hero of our people, who will live eternally in the memory of the new man of our country.

[Signed] Joint Command of the Anastasio Aquino Paracentral Front.

GOVERNMENT DECREES INCREASE IN FUEL PRICES

PA071655 Panama City ACAN in Spanish 1619 GMT 6 Jun 87

[Excerpt] Managua, 7 Jun (ACAN-EFE) -- It was reported today that the Nicaraguan Government has decreed increases of more than 200 percent in the price of fuels in this country effective tomorrow, Monday [8 June].

In a speech to the nation on Saturday, Nicaraguan President Daniel Ortega announced that a "readjustment" of the prices of petroleum by-products had been ordered, but he did not specify them. Ortega signed a decree that establishes that a gallon (five liters) of gasoline for automobiles will increase from $0.04 to $0.11.

The text of the law was published in the government newspaper BARRICADA today.

A gallon of diesel oil increased from $0.02 to $0.09. This is stated in the decree, which is also signed by the official in charge of the Nicaraguan Petroleum Enterprise (PETRONIC), the labor and finance ministers, and the president of the Nicaraguan Energy Institute (INE).

Similar increases also affected aviation fuel, kerosene, butane gas, asphalt, and varsol [versol]. [passage omitted]

PETRONIC OFFICIAL DISCUSSES FUEL CRISIS

PA060450 Managua EL NUEVO DIARIO in Spanish 4 Jun 87 pp 1, 8

[Article by William Ruiz Murillo]

[Text] The emergency declared by PETRONIC, by which only 5 gallons of fuel per vehicle were sold during the paralyzation of the Esso refinery, is over because the refinery resumed operations on 24 May, and on 30 May it began to distribute fuel to all the gas stations in Managua.

The announcement was made by PETRONIC Oil Supply Director Emilio Canales, who said that on 30-31 May, an emergency operation was carried out in the region three that supplied all service stations with a 5-day supply of 150,000 gallons of fuel.

Canales said that although all service stations now have enough fuel to normalize their sales, some stations may be limiting their sales, hoping for "price increase." Canales added that it is difficult to control that abusive practice because there are only three inspectors, and when they present themselves at a service station, "sales are normalized."

In view of this situation, Canales recommended that consumers exert social control, "which is not only PETRONIC's responsibility, but of all Nicaraguans."

He said that four gas stations were sanctioned: The Esso gas station located in front of the eastern cemetery, and Shell Centro America, because they did not permit PETRONIC to measure the fuel stored in their tanks; Chevron Kennedy and Esso Panamericana were sanctioned because it was confirmed that they used fuel from the EPS reserves, which cannot be sold. [paragraph continues]

The sanction consists of subtracting 1,000 gallons from their monthly allotment, which is equivalent to 100,000 cordobas, Canales said.

In this regard, he said that a note was sent to the Nicaraguan Association of Petroleum Products Dealers, ANDIPET, which agreed with the sanctions imposed, as they had been decided beforehand.

Canales stressed the problem that in only 5 months, the refenery has been affected by four stoppages, equivalent to 44 days of inoperativeness -- 10 days of which were because of delays in the delivery of oil shipments, 20 days because of scheduled maintenance, and the unexpected last stoppage because of a technical failure, which lasted 14 days.

The stoppages were aggravated by the fact that only 50 percent of the equipment was available to transport the fuel from Corinto, where there were also documentation, pumping, and irrigation problems.

Under normal conditions, 75 percent of the demand is supplied by the refinery and 25 percent by Corinto. A total of 72 vehicles are necessary to supply gas stations.

However, during the past emergency, although there was enough fuel in Corinto, 50 percent of the 110 vehicles owned by International Transport, Inc. [Transportes Internationales, S.A.] (TISA) were grounded and inoperative. Only 52 fuel tanks were available.

Greater distances had to be covered to supply the various regions. An example ofthis was region four, which had to be supplied from Corinto. This represented a 400-percent increase in the distance covered, as under normal circumstances, that region is supplied from Managua.

Canales said that Nicaragua needs 765,000 metric tons of oil to guarantee 75 percent of the demand through the Esso refinery, and 25 percent from Corinto.

In mid-May, we only had 300,000 tons supplied by the USSR, 90,000 by the GDR, and 60,000 by Cuba, for a total of 450,000 tons.

A deficit of 315,000 tons must be covered.

Canales said that effective this month, PETRONIC will control fuel sales at the border, to prevent Costa Rica and Honduras from buying fuel here because of its low price.

All the heavy cargo trucks will pay in dollars at the border a sum equivalent to the capacity of their gas tanks.

Canales said that in case of an emergency, PETRONIC has a priority list of all the industrial, agriculture, livestock, and collective transportation sectors that will be authorized to receive fuel. Industries not listed must present documents requesting authorization. In some cases, only those industries affecting the national economy as related to basic needs will be given priority.

Canales also warned about the excessive consumption by vehicle owners who are not savings conscious. He urged them to save fuel because the country is not facing normal conditions. "We cannot continue using fuel as if nothing was happening."

In only 5 months, 2.8 [as published] million gallons of diesel over the estimated consumption levels have been consumed.

The demand had been estimated at 28.5 million gallons of diesel; however, 31.2 million gallons have already been used. The consumption of gasoline for motor vehicles was estimated at 17.5 million gallons; however, consumption has reached 18 million gallons because of the psychological tendency to hoard in emergency situations.

EPS BEGINS OFFENSIVE AGAINST CONTRAS IN REGION 6

PA051643 Managua Radio Sandino in Spanish 1930 GMT 4 Jun 87

[Text] The EPS has begun a new offensive in the 6th military region -- Matagalpa and Jinotega -- following an increase in counterrevolutionary activities over the last few days. In the first 3 days in June, the contras operating in that zone, now united into forces that range between 400 and 500, attacked 5 towns, killing more than 25 civilians, including 3 children. Furthermore, some 27 people were injured. In addition, they destroyed about 70 houses, health centers, and coffee mills, causing the country losses of some 200 million cordobas.

Military specialists here notice that the mercenary tactics are similar in all cases: They divide themselves into groups of 150 and attack weakly defended hamlets, villages, or townships between 0400 and 0500.

In their actions, the counterrevolutionaries use mortars, M-79 grenade launchers, heavy machineguns, and RPG-7 rocket launchers, sacking and destroying everything they come across.

Hamlets north of Jinotega, such as (Avisinia), El Diamante, El Destino, and Las Colinas, which were recently attacked, were all partially destroyed by heavy artillery. The EPS is currently fighting the largest contra group at Las Colinas hill, to where the contras withdrew.

According to military sources, the mercenaries suffered more than six casualities over the last 2 days in that military region. In the last 2 weeks in May, they suffered 213 casualties, including dead, injured, and captured. The sources add that the mercenaries in the area banded together in an intent to show belligerence. Under EPS pressure, however, they soon disbanded into small groups and were only capable of attacking vehicles, people, or minor targets.

D'ESCOTO LEADS DELEGATION TO NONALIGNED MEETING

PA081725 Managua Domestic Service in Spanish 0300 GMT 6 Jun 87

[Text] A Nicaraguan delegation will travel to the DPRK to participate in the extraordinary conference of the nonaligned countries on South-South cooperation. A Foreign Ministry communique reported that the delegation will be led by Foreign Minister Father Miguel D'Escoto. The delegation also includes Vice Foreign Minister Pedro Antonio Blandon.

The ministerial conference will be held in (?Pyongyang) from 9 to 13 June. The participants will discuss aspects related to South-South cooperation in the current international context.

DELVALLE STRESSES UNITY OF GOVERNMENT, FDP

PA090537 Panama City Televisora Nacional in Spanish 0420 GMT 9 Jun 87

[Statements by President Eric Arturo Delvalle at Palace of the Herons in Panama City; in the presence of General Manuel Antonio Noriega -- live]

[Text] I feel, my friends, as stated by Legislator Gomez and the president of our legislative chamber, Ovidio Diaz, that this is [word indistinct] memorable evening and an occasion that must be a source of joy for all member parties of UNADE [National Democratic Union], and those of us who comprise this government.

Although it is true that certain comments have been attributed to a former member of our Panamanian Defense Forces [FDP], which I characterize as unfortunate, this has also been an occasion for all our parties, for all members of this UNADE family -- which is also made up of the Defense Forces -- to gather here today to express to the country that we indeed have faith in our electoral victory; that we indeed have faith in Panamanian justice; and that we have faith in all of our public officials.

We are gathered here to give testimony of our appreciation to the distinguished Colonels Marco Justines, Alberto Purcell, and Elias Castillo, who have ascended to top positions within our Defense Forces. However, we have gathered today also because we are faced with an unexpected attack. We are surprised at revelations unknown to all.

There are times that look unfortunate but turn out to be actually beautiful opportunities. We cannot hide from the country the fact that on occasion there have been differences between our parties, and between the executive and legislative branches. I feel that, rather than being unsolvable, these differences, these discrepancies are positions, are concepts on which our parties disagree at times. However, their ultimate objectives are the same: peaceful coexistence among Panamanians, the well-being of all our fellow citizens, and the cooperation toward peace in the brotherly countries around us.

I feel happy today because the entire UNADE family is here gathered and united with a single goal and purpose: to defend Panama, to protect Panama, and to produce and generate well-being for all our fellow countrymen. Thank you very much. [applause]

SUSPENSION OF INDIVIDUAL RIGHTS UNDERWAY

PA082001 Panama City Radio Continente in Spanish 1915 GMT 8 Jun 87

[Report by Mayin Correa and unidentified announcer]

[Text] [Correa] We have been informed that a decree is being prepared to suspend individual rights. That means that the government by force, through a decree, establishes that no one can speak without prior censorship, if at all.

[Announcer] Meanwhile, Mayin, President Eric Arturo Delvalle is convening a general state council meeting for tomorrow morning. It is presumed they will discuss his constitutional status. The state council will decide if it is time the president leaves, if a constituent assembly should be called, if there should be a vote recount, or any of the other options the various political parties are proposing and the public is discussing.

FDP UNITS SENT TO COL DIAZ HERRERA'S HOME

PA081729 Panama City Radio Continente in Spanish 1656 GMT 8 Jun 87

[Report by Mayin Correa]

[Text] It has been announced that the Dobermans [reference to Panamanian Defense Forces] and transit police units are surrounding the residence of Colonel Roberto Diaz Herrera, retired, in Altos del Golf. The women in that house should seek protection, as most of the people at Diaz Herrera's home are women. One of the neighbors has called to report that the Doberman troops and units from the transit police are going to Col Diaz Herrera's residence.

A group of international reporters is at Tocuman [corrects herself] Oman Torrijos Airport and have not been allowed to enter. There is a group of international reporters who heard the news broadcast last night through this station, which we aired abroad last night. An airport employee has called to report this. We will soon report the names of those reporters, the news agencies for whom they work and call those agencies, asking for support from abroad, since they are not being allowed to enter the country. They have been stopped at the Omar Torrijos Herrera Airport.

We repeat, to the women at Col Diaz Herrera's residence, seek protection because the Doberman units are going to surround his residence.

Herrera Arrested Ordered

PA081820 Panama City Radio Continente in Spanish 1813 GMT 8 Jun 87

[Report by Mayin Correa]

[Text] Colonel Diaz Herrera has just called. He said he was ordered arrested, that he resisted, and the guards protecting his house were withdrawn.

Well, I think the judicial branch is the one that should arrest him so he could testify and present proof.

DIAZ HERRERA SENDS MESSAGE TO GEN NORIEGA

PA081948 Panama City Circuito PCR Television in Spanish 1800 GMT 8 Jun 87

[Text] A few minutes ago, former Colonel Roberto Diaz Herrera made some important statements, which we will broadcast immediately.

[Begin recording] Look, the only brief statement I want to make, aside from the many things I have already stated is that, regarding the church statement, we will be very glad to provide all kinds of evidence proving our case to Panamanian justice, but not just any justice, not to the justice right now in the hands of General Noriega and his lackeys. There are many valuable exceptions that I know of. Therefore, I reiterate all I have said, and I have already said a lot. I want him [Gen Manuel Antonio Noriega] to say something also. I want Gen Noriega to say something to the Panamanian people, to defend himself, to affirm that my statements are false, or that he knows a different truth. Instead of continuing to invent silliness and going through the agonizing movements of someone who knows he is being catapulted toward his own self-destruction, he should stop involving the High Command and the ranks in little adventures. He should carry out the adventures himself. That is, he should have sufficient personal and civic courage to face his own sins. I have admitted my sin, we could say more. But he, [Noriega] should also admit his own sins.

Furthermore, this new political and partisan movement, so [sentence as heard]. For example, the PRD [Democratic Revolutionary Party] people, especially at the Torrijist level, should be well aware that the PRD structure does not represent anything, really. None of the people there represent anything. There are exceptions too, but I will not mention them. Therefore, the CEN's [National Executive Committee] have no leadership. We installed those CEN's . I know how those CEN's are made up. I have installed some six CEN's. Thus, they do not represent anyone, not even themselves, because there is much rivalry among themselves, rivalry about many things, which they should also admit. However, this is an open movement, from the Torrijist faction, as I stated, to the basic Panamenist factions, provided. Dr Arnulfo Arias is not seeking to fish in troubled waters -- which I do not believe -- to try to benefit from this. I have no interest in having Dr Arnulfo Arias send me any invitations. He should make up his own mind and decide.

[Unidentified reporter] Has he done it?

[Diaz Herrera] All I can tell you is he [Arnulfo Arias] and all other parties should make up their minds on whichever line they want to adopt. If they do not want to adopt leadership attitudes at a given moment because they do not have the capacity or cannot make a decision, then the people will make the decision, and the people can form groups, as they are already doing. Therefore, this is my last message: All sectors should define their stance, not only the partisan political sectors, but the business, labor student, teacher, and professional sectors.

One more thing I want to add: Gen Noriega should be well aware, because a few moments ago he ordered the guards around my house to withdraw and he told them to try to get me. I want to tell him -- who said he is an expert in karate? -- to come over and get me, and the two of us can leave alone in one vehicle. I am not a brave man, but I want to ascertain whether or not he is a brave man, as he wants to portray to the troops. He should come over, or advise me where we can meet, sort of a duel. He should stop hiding behind the courage one gets when one is surrounded by rifles.

Noriega Responds

PA090150 Panama City Telemetro Television in Spanish 2353 GMT 8 Jun 87

[Statements by General Manuel Antonio Noriega, commander-in-chief of the Panama Defense Forces (FDP) on 8 June during a meeting with majors and captains, followed by a question-and-answer period; place not given -- recorded]

[Text] [Noriega] We cannot recriminate against those who came before us -- even though under the circumstances, their names are not identified with anything so evil -- because their silence is the guardian of the institution. Today's men have replaced those who were here before them, and we cannot recriminate any faults committed against the institution, such as a crime of high treason like the one we are seeing today. This is an assassination because it comes from the bosom of the institution. We could forgive any sniper or enemy, but we cannot forgive a man who was fed, protected, and overfed by the institution; paternally taken care by that man Torrijos, who knew about his great mistakes and defects, yet still tried to make him one of his disciples. But life is like that. We must accept it. We are not going to have any personal considerations, bickering, or quibbling; but we are going to be firm, because this is a conspiracy added to all the others, which are not meant to support us in achieving the role we have been called up to play. These are my words; these are my guidelines. We are not going to step beyond our limits, but we are not going to refrain from going to the place we must be in. Thank you very much. [applause]

[Reporter] What is the FDP's position regarding the political situation in the country?

[Noriega] We are not going to get into an argument with anyone. The captains and majors will release a communique. I was there only to greet them. We are not going to take irresponsible stances, but we are not going to be weak; we are not going to step beyond our limits, but we are not going to refrain from going to where we must be.

[Reporter] Have you received support from the chiefs of staff?

[Noriega] We have received full support. You can see it.

[Reporter] Have you had any contact with the president, General?

[Noriega] I believe tomorrow there will be a state council meeting.

[Reporter] General, it has been said this is part of a conspiracy, do you have anything to say about that?

[Noriega] I agree that this adds to previous, current, and future plans of a conspiracy that has a proper name.

[Reporter] How does Diaz Herrera fit in that conspiracy?

[Noriega] I said I would not use proper names or bicker or quibble. I am not aware of anything.

FDP OFFICERS' MANIFESTO SUPPORTS GEN NORIEGA

PA090230 Panama City Telemetro Television in Spanish 2353 GMT 8 Jun 87

['Manifesto' issued by the majors and captains of the Panama Defense Forces at their headquarters on 8 June]

[Text] The majors and captains of the Panama Defense Forces [FDP], meeting in our headquarters on Monday, 8 June 1987, reiterate to the nation our unyielding loyalty to the institution and to our commander in chief, who represents our institution with courage, professionalism, and patriotism. We reiterate our firm position to defend national and patriotic interests, and we resolutely and firmly reject the paranoiac treason and conspiracy against our institution. It is evident that treason has been added to the historic, antipatriotic sectors, whose first objective has been to break up our Armed Forces to gain political power, to recover social and economic privileges, and to reestablish the old alliance with foreign, colonialist sectors that had guaranteed that power.

We want to defend the honor and the historic greatness of General Omar Torrijos, our leader and teacher; and we reject the insults and mistrust that are meant to stain the guidelines Torrijos left behind.

We wish to tell the Panamanian people that the deep institutional roots, which will be stronger tomorrow in view of sacred and unavoidable commitments to maintain peace and tranquillity, will be preserved. We shall never stop guaranteeing our national security.

General Manuel Antonio Noriega: We are loyal to the principles of professionalism, loyalty, and the fatherland that you have taught the institution. Once more, we say: Present! Not a step backwards! Give us your orders, Commander!

[Signed] Information and Public Relations Directorate of the FDP

DIAZ HERRERA ON BUSH'S KNOWLEDGE OF TORRIJOS DEATH

PA071831 Panama City ACAN in Spanish 1700 GMT 7 Jun 87

[Text] Panama City, 7 Jun (ACAN-EFE) -- U.S. Vice President George Bush "knows something, I am sure, about (the details) of the death of Torrijos," Colonel Roberto Diaz Herrera, former chief of the General Staff of the Panamanian Defense Forces, has said.

According to Diaz Herrera, he tried to meet with Bush to "help him, and so he could see I am not an enemy of the United States," and "to try to cover up the case (of the death of) Torrijos."

According to Diaz Herrera, other U.S. officials who "know something" about General Omar Torrijos' death are General Wallace Nutting, former chief of the Southern Command, a lieutenant colonel of the Air Force, and a Cuban-born chief of the U.S. Central Intelligence Agency (CIA), whose names he did not mention.

Retired at the end of May, Diaz Herrera on Saturday refused to name those responsible for the death of his cousin, Torrijos. However, he admitted that "with time, other facts have emerged that show Torrijos was assassinated." He said he would only present his version on Torrijos' death to the attorney general or to "prominent witnesses." "I am not accusing anyone of Torrijos' death. It is the Torrijos family that has that type of documentation," the 48-year-old Diaz Herrera said.

The Torrijos family has publicly stated that the CIA is responsible for the death of Gen Omar Torrijos, whose plane crashed in the country's interior on 31 July 1981.

A believer of the occult, Diaz Herrera admitted that Dominican Social Democratic leader Francisco Pena Gomez told him that on two occasions "he has spoken with the spirit of Gen Torrijos and the spirit was restless because Torrijos has been assassinated."

The retired colonel said that he is aware of information about the assassination of Panamanian Dr Hugo Spadafora, a former Sandinist guerrilla, in Spetember 1985. "I do not agree with that crime. I never did. Nevertheless, I have been accused of being the mastermind," he said.

OPPOSITION LEGISLATORS WALK OUT OF ASSEMBLY

PA082315 Panama City Radio Continente in Spanish 2210 GMT 8 Jun 87

[Text] [Unidentified reporter] We are here at the Legislative Assembly to report that all the opposition legislators -- except for Honorable Legislator Jorge Ruben Rosas, who is currently addressing the Assembly regarding a draft bill -- have walked out of the meeting hall in protest of the country's current situation. Meanwhile, UNADE [National Democratic Union] legislators are meeting and acting as if nothing is going on around the country. This is why the opposition legislators walked out.

The following are statements by four legislators. The first speaker is Raul Ossa:

[Ossa] We decided to walk out because they are acting as if nothing is happening here in the country. We are going to study the very serious statements made against all the government institutions. We, all the opposition legislators, will then announce our responsible and coordinated position. This is why we walked out.

[Reporter] [Words indistinct] What position has the Authentic Panamenist Party adopted?

[First unidentified legislator] We agree with Legislator Ossa. We had to walk out to discuss the charges presented by Colonel Diaz Herrera. I also wish to say that the visitors area is full of government workers brought by them [UNADE legislators] to boo the opposition legislators and prevent them from addressing the Assembly regarding the current situation of the country. In view of this, we felt it was best to walk out and leave them alone.

[Reporter] Here with us is Legislator [name indistinct], who attended the meeting of the various political parties, during which they analyzed the current political situation of the country. Honorable Legislator, what was the outcome of the meeting?

[Second unidentified legislator] All the political parties met again at 1530. They are urging all the country's civic organizations to support Dr Arnulfo Arias, because he is the true winner of the 1984 elections. We already knew this, but Col Diaz Herrera has confirmed this victory when he admitted he was part of the fraud.

[Reporter] Honorable Legislator Guillermo Cochez will also tell us why he walked out:

[Cochez] We walked out because the Assembly is a forum to discuss national problems. To do what the PRD [Democratic Revolutionary Party] and its allies have done today is a crime against the dignity of the Panamanian people who are still surprised following the charges made by Col Diaz Herrera. Col Diaz Herrera, up to 7 days ago the number two man in the Defense Forces, has said that President Delvalle is not a legitimate president; that the Electoral Tribunal is formed by a couple of rascals who, together with himself and other Defense Forces colonels, cheated during the 1984 elections; that Gen Noriega, commander in chief of the Defense Forces, is involved in the death of Hugo Spadafora, and that some members of the General Staff are also involved in this crime. We are responsible people; we cannot turn our backs to what is going on in the country. We cannot act the way the PRD is acting. We have a duty to fulfil to the people who voted for us, and we have a duty to our homeland. The people who voted for us and our homeland have been strongly affected by such dramatic and compromising statements as the ones made by Col Diaz Herrera. In his most recent statements through Radio Continente, Col Diaz Herrera stated that he has documents that prove which of the legislators were appointed to office as a result of the fraud.

UNADE Legislators Issue Resolution

PA090605 Panama City Televisora Nacional in Spanish 0415 GMT 9 Jun 87

[Resolution of support by National Democratic Union (UNADE) legislators to President Eric Arturo Delvalle at the Presidential Place in Panama City on 8 June; in presence of General Manuel Noriega -- read by National Assembly President Ovidio Diaz -- live or recorded]

[Text] The National Assembly, whereas:

There have been statements, declarations, and accusations concerning political aspects of national issues, which have served as an opportunity for political sectors to incite citizens to ignore authorities and the country's institutions, and to subvert established power of which the Legislative Assembly forms a basic part, is an element for the peaceful and social coexistence of citizens in general.

It corresponds to the public ministry to make all the pertinent investigations to determine responsibilities; and as faithful guardians of democracy, peace, and social security, it is up to us to speak out at this historic moment to contribute to guarantee all citizens their rights.

Agree to: Reject any action that disrupts the constitutional order, peace, and the country's social security.

Reiterate our firm stance defending the highest nationalist and patriotic interest.

Call on government institutions to safeguard established public order in our constitution, maintaining the patriotic duty of repudiating all attempts to set Panamanians against one another.

Dated in Panama City on 8 June 1987.

This resolution is signed by 40 honorable legislators who attended and remained.

DIAZ HERRERA MEETS WITH AUTHENTIC PANAMENIST PARTY

PA090346 Panama City Radio Continente in Spanish 0021 GMT 9 Jun 87

[Report by Victor de la Hoz]

[Text] A meeting at Diaz Herrera's residence between members of the Authentic Panamenist Party, headed by Vice President Hon Legislator Artola and Colonel Roberto Diaz Herrera, retired, ended moments ago. Dear listeners, you will hear statements by Col Diaz Herrera and Hon Legislator Artola:

[Begin recording] [Diaz Herrera] [Words indistinct] agreements within the institution. Should Arnulfo Arias achieve power? If he gains power, he must respect the basic structure of the institution. He should not fool with it, but should respect the institution's hierarchy, which was established by Law 20. The law can also be improved, because it also has problems. [Words indistinct] General Noriega with two advisers, namely Renato Pereira and another.

Now Gen Noriega whimsically says he can stay in power for 5 more years. That does not worry me because there are people within the institution who are waiting for an opportunity to obtain command of the Defense Forces.

[Artola] If Dr Arias [Arnulfo Arias, leader of the opposition] takes action and is supported by the people, is there another force that could support him?

[Diaz Herrera] First, if Dr Arnulfo Arias has grass-roots support, as you claim, who will prevent him from reaching the Presidency? Gen Noriega -- because the issue really involves him -- definitely is in no position to get the support of anybody right now. His old friends, the ones who currently follow him, will not follow him, either. Therefore, if that is your real objective, you will face no problems. Therefore, you should call on the people for support. Seek support in my irresponsibility, because I should have said so many things. I have been irresponsible with my family. I seek support in that, because I will declare this anywhere.

[Artola] But I wish to tell you that the directorate and the legislature have already released a leaftlet, which should be circulating within the next few hours, reporting some of these decisions. Regarding the hierarchy and the structure of the Defense Forces, we demand that those people with more than 35 years in the command or Defense Forces take advantage of the privilege offered by Law 20 -- that is, retirement. This means we could not reach an agreement -- and I reiterate this -- with Gen Noriega, because he and others must also retire according to those conditions. That is why the Authentic Panamenist Party is now making efforts, together with all good Panamanian people, institutions, civic organizations, and forces to achieve an overall restructuring of this country.

This is necessary, and includes many structural changes, not only the retirement of the hierarchy of the National Guard. [Diaz Herrera] I accept -- and this was brought up from within -- that we have always asked Dr Arias to respect this basic, fundamental structure.

[Artola] I totally agree.

[Diaz Herrera] I fully agreed with that, not because I left. Gen Noriega is aware of my retirement. Both before and after my retirement was passed, I told him I wanted to leave. He kept me or I stayed with him, whichever way you like it, because he needed me for some reasons, [words indistinct].

People with more years than I, such as Colonel Justines, who will have 30 years, Colonel Mina, and all those who are eligible, should retire. I think Colonel Macias is about to retire. I accuse Colonel Alberto Purcell, because he is involved, and we will show this, in the assassination of General Torrijos. I think he should appear before the courts followed by the remainder of the hierarchy.

In my opinion, internal changes should be consulted at the staff level, but without direct meddling. In other words, the commander -- that is specified in Law 20 -- should be allowed to manage or command the institution in an [word indistinct] and independent way.

I think that a president of the Republic has the right not to be ignored. That is, the president -- which is not the case now -- should have the power to sign decrees and promotions after consultations with the current commander. If these rules of the game are followed, there should be no problems in this country between the executive and the Defense Forces.

[Artola] Colonel Diaz, Corazon Aquino took advantage of the support of Juan Ponce Enrile to reach power. Should Arnulfo Arias ask you to head the Defense Forces to establish a more democratic base would you accept?

[Diaz Herrera] I have no aspirations of that nature, absolutely none. I wish to make that very clear. I wish to dedicate my time to my family. [end recording]

ARIAS CLAIMS PRESIDENCY, WILLING TO ASSUME POWER

PA082127 Panama City Radio Continente in Spanish 2035 GMT 8 Jun 87

[Report by Mayin Correa]

[Text] [Correa] Dear listeners: The Honorable Legislator Simon Quiroz y Quiroz will now relay a message from Dr Arnulfo Arias Madrid, four times president of the Republic. He is at the home of Colonel Roberto Diaz Herrera and has called us from there to relay this report to the Panamanian public from Dr Arias. Go ahead, legislator Quiroz:

[Begin Quiroz Relay] Mayin, I have been authorized by the board and the legislators of the Authentic Panamenist Party, especially by Dr Arias, to tell you categorically that he has never doubted he is president of the Republic, and he is prepared to sacrifice his peace of mind for the good of the country, sacrificing himself for a better Panama, as he has always done.

We Panamenists have never accepted any president other than Dr Arias. I am convinced that in a few minutes you will have in your hands an explicit, clear, and definite communique indicating he is the president of the Republic and will assume power with the will of the people and the worthy men of this country.

We are going to stay at the colonel's residence until the communique is signed and witnessed [atendido] in a clear manner. I do not like to talk too much, because I am one of those who call a spade a spade. Dr Arias is the president of the Republic and has always been. Thank you very much. [end relay]

Calls For Noriega's Removal

PA082255 Panama City Radio Continente in Spanish 2142 GMT 8 Jun 87

[Communique issued by the Authentic Panamenist Party [PPA] read by Assistant Secretary General Guillermo Endara -- live]

[Text] During a telephone conversation with Colonel Roberto Diaz Herrera, Dr Arnulfo Arias Madrid has reiterated that he will claim, for the good of the Panamanian people, the presidency of the Republic, thus fulfilling an unavoidable duty which is the result of the 6 May 1984 elections.

Col Roberto Diaz has made, and continues to make, very brave and public statements that confirm the electoral fraud and, therefore, Dr Arias Madrid's victory. Likewise, Dr Arias Madrid has reiterated the need to institutionalize the Defense Forces and its legal structures by respecting its promotion system. Therefore, Dr Arnulfo Arias Madrid calls on all Panamanians to protect the lives of Col Diaz Herrera and his family; to use all available means to demand the removal of the Defense Forces' commander, since he is already eligible for retirement; to recognize ADO's [Democratic Opposition Alliance] electoral victory; and to swear in Dr Arias as president of the Republic, for which he was chosen by the Panamanian people.

DIAZ HERRERA INTERVIEW ON FDP, PRD, TORRIJISM

PA072113 Panama City Telemetro Canal 13 in Spanish 2320 GMT 5 Jun 87

["Exclusive" interview with General Roberto Diaz Herrera, retired, by Jorge Concepcion, in Panama City; date not given -- recorded]

[Excerpts] [Passage omitted] [Concepcion] Would you say that your relations with the Panamanian Defense Forces [FDP] -- in this case with the High Command, and particularly with General Noriega -- are good?

[Diaz Herrera] I believe there is not and will not be any problem; that is what I think. I have no reason to have any problem. Some people have commented; there is speculation; and some believe there is rivalry and war. There is no such a thing. Why should there be? [passage omitted]

They have said that I am Torrijist. That is correct. I like Torrijos' principles very much, particularly because they are humanistic principles. Some have said I am of the left wing, of the right wing, or in the center. [passage omitted]

[Concepcion] Col Diaz Herrera, now that you have mentioned Torrijism, it has been said that you represented the last bastion of Torrijism in the FDP, and that with your retirement, Torrijism has been buried. Is this true? Do you believe that Torrijism has disappeared in the FDP?

[Diaz Herrera] Things are difficult all over, not only in the FDP. Torrijos died about 6 years ago. If only you knew about the many sergeants, lieutenants, captains, and majors who are Torrijists by conviction, criteria, concept, or doctrine. However, how would you classify Torrijos' doctrine? Some communists say he was communist, if this is convenient for them. [passage omitted]

Torrijism is widespread because it contains very deep ideas, particularly about human nature. It would be difficult for me to summarize that. Torrijism concerns loving the most humble, but it is not about acting in a class struggle. Rather, as Torrijos said, it is about struggling in the classroom, so people receive an education; and the most needy should receive the opportunity to compete, but within a social, political, and economic infrastructure that would make this feasible.

I have been accused of being antidemocratic. Some people here are talking about a return to democracy. It may be possible -- definitively, now as a retired citizen, I can say it -- that we need to rectify the path set by Torrijos, who left us a plan. He stated that we need to reach the point when the FDP -- as Gen Noriega has said himself -- takes on a professional role, which I myself have also said. [words indistinct] but that they have an important role in national development, rather than a second-class FDP. No, we do not want that. We want an FDP that will not meddle in partisan politics, and will not remove or install presidents. This had indeed been done. These are real facts, things we inherited from Torrijos and Gen Noriega are not responsible for this. In March 1968, in active politics. [sentence as heard] After Torrijos came Colonel Flores, Commander Paredes,and then Gen Noriega. They are incidental, if not momentary. However, I believe Panama -- and I think you agree with me in this, Jorge Concepcion -- should continue enjoying the peace that is lacking in the world, and should coexist with everybody. [passage omitted]

[Concepcion] Will you continue to be active in the PRD [Democratic Revolutionary Party] Is it true that you intend to be a presidential candidate for the 1989 elections?

[Diaz Herrera] The PRD is very dear to me. Let me tell you without shame: We formed the PRD, and I definitely feel part of the PRD's CEN [National Executive Committee]. This party was formed by Torrijos with a group of people who began to integrate this party. Many of these people are not holding high-ranking posts today, but this is also part of the evolution of things. Some of these people have retired, many of them. Therefore, I repeat: I have no presidential aspirations, not as far as I am concerned.

[Concepcion] You have stated that you have no intentions of becoming president in 1989; however, yesterday the PRD announced a reorganization in the ranks of the party. If you do not have such plans, and the PRD calls you, what would you answer? Would you reject such a proposal?

[Diaz Herrera] Jorge, Panama has a long history of people who have said: I will not run as candidate, and then end up doing that. Others have said: I will be a candidate, and they do not make it. There is a thing in the world called imponderable. This, as a Panamanian, I would never refuse -- listen carefully -- to a mission of collective, social, and national participation, if it is above my own personal interests. One is always so selfish, egoistical, selfish, and greedy; there is first the interests of the people. That, however, is not the case right now. Neither do I pretend to be Torrijos, Torrijito, or Torrijero -- none of that, absolutely. Meanwhile, I will remain near my family. I write short articles for the papers. Not too good. I do not know what I shall do. [passage omitted]

Talks on Politics

PA080140 Panama City Radio Continente in Spanish 2100 GMT 7 Jun 87

["Parts" of interview with Colonel Roberto Diaz Herrera, retired, by reporters Juan Prisiola and Homero Londono and politicians Jose Manuel Faundes and Oscar Navarro in Panama City on 7 June; persons asking questions not individually identified; broadcast in progress -- recorded]

[Excerpts] [Diaz Herrera] [Passage omitted] Perhaps that [not further identified] is why they [not further identified] did not want to broadcast the whole interview and I do not see anything wrong with it. The interview that Channel 13 [Panama City Telemetro Canal 13] had broadcast was all edited.

I do not understand. They are speaking of esotericism, and they are trying to say that I am crazy and [words indistinct] but what happens? The first books on esotericism that I read I borrowed from my then friend Manuel Antonio Noriega. [passage omitted]

I am not thinking of attaining power; this is how I would end my answer. I am not interested in becoming a politician right now. I am a politician in myself, but I am not interested in that. [passage omitted]

I said I was afraid; I said that. One cannot deny fear. Those are chemical, mental factors. Above all, there is fear concerning our responsibility and fear of God. [passage omitted] I think it is time to stop so much rivalry among parties; that only wears us out. This country needs work, construction of things, harmony, and peace -- true peace. We do not need so much fear. [passage omitted]

I remembered my parents when I told my wife: I am going to call some people and we are going to talk. We are going to say everything here. We will answer all questions. Let us wait for other things to emerge. I reiterate what I said in a previous interview, which I hope will be completely broadcast some day. I said: I have no intention of joining any parties. Everything is very corrupt in Panama, both the opposition and the government political forces. I am not saying that there are no good people in those sectors; I am saying that, overall, those sectors are not showing clear, brave definitions. There is an absolute vacuum of leadership in Panama, and I have no intention of filling that vacuum. We have to create a collective plan. It is time to speak thinking...[changes thought] I already spoke and confessed my sins. I could confess some more sins, but let us wait for other confessions; why should I be the only one signing?

[Reporter] Why are people now saying that Panama can be taken to its real democratization? Why are people saying that now that you have left the military elite? Why is it said we can attain the country's democratization now?

[Diaz Herrera] No, I did not say we can attain the country's democratization now.

[Reporter] No, the opposition and the people in general are saying that.

[Diaz Herrera] Oh, others are saying that. I still do not know if we could lead our country toward democratization. That will not depend on me. [passage omitted]

I would say if there is a structural model independent from sectors and individual parties -- including the PRD [Democratic Revolutionary Party] -- if people really stop thinking of parties and small parties [partiditos], despite having to carry a banner to prove this new stance, if we then devise a plan based on that covering the whole country, and if people stop talking of communists, rightists, leftists, etc and first get together and talk, because in this country people have a serious problem [sentence as heard]. They ask you for example: What party do you belong to, Oscar? [addressing one of the politicians present in the interview] Oh, then I cannot talk to you. I told that to Elvia Lefevre at the Peruvian Embassy. [sentence as heard] [passage omitted]

I am willing to make any sacrifices, knowing what that could cause. It has already caused tensions for my wife, small children, and my family in general. If we form a national consolidation plan that is above parties', groups', and people's interests, I will not lead that plan. Let the best person we can find in Panama lead it; the best, including Dr Arnulfo Arias, in case he truly wants to attain national understanding through his own aspirations and if he can still do it at his age. But he must respect -- because I will not deny what I myself have said -- the structure of the Armed Forces. Although I am not in the Armed Forces now, I still have uniforms at home. Thus, if Arias respects the Armed Forces, its hierarchy, and its laws; and if he does not bring in people to occupy the general command, but retains all those men who have 20, 22, or 23 years in their military careers and are there waiting for better positions and aspiring to at least reach the position I had...

[Reporter, interrupting] Excuse me for the interruption, Col Diaz Herrera, I have talked with Dr Arias, and I have the impression if the electoral fraud you have publicly reported is analyzed and clarified, I am sure that Dr Arias would respect the institution to which you belong and would lead the country to paths of true peace and harmonious coexistence in which there will not be any difference between miltary men and civilians. Dr Arias would be a main factor . . .

[Diaz Herrera, interrupting] Excuse me, excuse me for a second. Listen, I do not want this to look like something we arranged or prepared who knows when or something. I do not know what will be constructive for the country, and I now ask you, do not ask me, I am the one asking now: Despite the fraud I talked about -- there was a fraud; that is vox populi; the United States knows about it; (?why has the United States not said something), tell me? I was inside the elite then; I survived. That was a matter of survival, because we were already on such a one-way [preceding word in English] street I am not going to speak nonsense here, because my wife and I had to entertain, dine Nicky Barletta [former President Nicolas Ardito Barletta] and the magistrates I already mentioned, because there were others who did not . . . [changes thought] [name indistinct] left and I have to grant him that. Just like the others, I looked for the money to pay for those dinners. I got the money from here and there.

Despite all that, would it be beneficial for the country in 1987 for Dr Arnulfo Arias to begin a revision of records and everything? I know you agree with that, but would it be worthwhile to spend over a year doing that while the country has a devastated economic structure and lacks organization. In addition, Dr Arias will have to rectify his own former steps. I am going to be critical again. He is a man who does not like teamwork. He only appoints two or three people . . . [changes thought] I was a captain in 1968, and I spent 6 to 7 days waiting for my dismissal. He pushed me too. He takes people out, too. He has taken a lot of people out, damn it! He can do that very well. [passage omitted] However, I repeat, would the revision of votes be constructive? I do not know. Would it be constructive not to review the votes?

I would say: Let us make a national consultation to see what is the most convenient [words indistinct] I would support that. Someone else, not me. I repeat, not me. If this is what is convenient for the country, then let the country say it. How can the country say it? Let us make it possible to call the politicians together to determine what will be decided. We must remember that no one has a monopoly on truth. There are many parties; there are many different hues. Let us look for . . . [changes thought] and I would help to look for this route, and I would do it very idealistically, and if I am not considered an idealist any more, then for the sake of my children, they are so small, they have no reason not to be idealistic. And I would want all, all children, in this country to have the courage we the adults have not had and all of them have ideals, pure ideals, we their elders have not had.

[Reporter] General, allow me to . . .

[Diaz Herrera, correcting him] Colonel . . .

[Reporter] To me, you are a general . . . [Two-minute interruption by music]

[Diaz Herrera, in progress] . . . matters of national interest. I would like to tell Attorney Faundes Pris, and Londono about some experiences I have had lately during my direct dealings with Dr Arnulfo Arias -- and I want to point out I opposed him in 1968; we were staunch followers of Samudio [Eng David Samudio, presidential candidate for the 1968 elections] and we remained independent until about 2 years ago when I joined his party. I will tell you something, and I do not say this without blushing: In the last elections, they left it to me -- I am always given the difficult chores -- to push around on a high level, because I understand the high-level ones have to remain always, such as in the Supreme Court. Even though I know they told people from the opposition, from Christian Democracy . . . [changes thought] I have known these things and have kept them to myself for a long time, which I did not want to, I wanted to have peace within the institution, until I had requested my retirement, when I saw this type of attitude . . . [changes thought] that is why, believe me, one has to take care of oneself. They had already told -- I believe Willy Cochez [Christian Democratic legislator] said it today -- they told the Christian Democracy and other political parties the guilty party in the Spadafora business was Col Diaz, because he was in command at the time.

[Reporter, interrupting] Colonel, I want you to know . . .

[Diaz Herrera, interrupting] ... speaking about Arnulfo Arias, I beg your pardon Oscar ...

[Reporter] This is a very special interview; we have let you speak alone . . .

[Diaz Herrera, interrupting] Well, I am the one being interviewed.

[Reporter] I wanted to tell you the impression I have of Dr Arias, an 84-year-old man, as you have said, and as is well known, every time he has been president, he has been ousted and has gone into exile. He is a man with vast experience. I believe your attitude could serve to lead the country to unity rather than division. I believe if in the National Guard [as heard], as Faundez said, those of you retire in accordance with the law, that those who have a right to retire would retire and other officers would be promoted in accordance with the law, that those who have a right to retire would retire and other officers would be promoted in accordance with the institution's system of promotions -- I do not feel that Dr Arias would be opposed that.

[Diaz Herrera, interrupting] He has opposed once upon a time ...

[Reporter, interrupting] I am talking about today's situation. It is not that he has changed his policy, because he is strongly opposed to the leadership, and that is undeniable; but if the law is complied with, and justice is done to him, it is not to say he is going to fix the country, but his could be a government of transition, at least for the time remaining until the next elections.

[Diaz Herrera] Hard enough. Sorry Oscar, it would be hard enough to establish government, to come in, sit down, and in 1 year fashion an administration, in 1 year ...

[Reporter, interrupting] No, it would be 2 years. Well it is a possibility, an aspiration.

[Diaz Herrera] At least, like I said, so Jorge Pacifico Adames [politician and long-time Arnulfo Arias follower] and the others will be able to have a ministry that will last them some time. [laughs]

[Reporter] A possibility.

[Diaz Herrera] Let me finish, for those who like to guess at what is going to happen. They exist everywhere. I do not want this to be interpreted to sound like I am calling Dr Arnulfo Arias [changes thought] What I do say is, whoever it may be, from Dr Arnulfo Arias in his position, to PAPO [People's Action Party] or to Christian Democracy; they who will want to put down partisan attitudes per se to really join a national plan where the best people will join forces -- not I, the best people, the ones with the good will. Let it be discovered who the best people are. One must look in the party directory to see who the best people, the best people, the best people are, who they are [repeats himself] from wherever it may be, and if they want to join in a plan. I would enroll myself as a member of that new party that would be founded, that they would design.

I say this is not a time for vengeance, from any quarter. I have said I have no rancor, and I do not. In the same way that . . . [changes thought] Despite the fact there are details about my cousin General Torrijos' death, I was his secretary and I love him very much [sentence as heard]. He was my mentor; he was really not only a relative but a teacher, with all his defects; maybe he taught me defects, or I chose others -- but I do not feel to avenge Gen Torrijos' death is the solution for this country. Neither is it to avenge Hugo Spadafora's death. Not to avenge. Revenge is compulsive.

Discusses Spadafora Killing

PA081554 Panama City Radio Continents in Spanish 1155 GMT 8 Jun 87

[Interview with Colonel Robert Diaz Herrera, retired, former chief of staff of the Panama Defense Forces, by Eliria Santos in Diaz' home in Panama City "at 0630 on 8 June" -- recorded]

[Excerpt] [Passage omitted] [Santos] Mr Herrera, can you tell us more about the assassinations of General Omar Torrijos Herrera and Dr Hugo Spadafora?

[Diaz Herrera] There will be details of this. Several of us [not further identified] will disclose them. However, as I said -- and this can be absolutely proven -- General Noriega was involved in that murder [not further identified] before he left for Europe. He planned it with Major Cordoba, Captain Mario Del Cid, and subordinates in the Defense Forces. He even made it a game, attempting to tell the opposition that I was responsible for planning this. However, the Spadafora family is in my house right now, and this belies that. They have enough information to know who did it.

[Santos] What is the current situation in the country? What can you tell the people about this?

[Diaz Herrera] The country is living in a state of collective anxiety and terror. We have spoken out in an attempt to alleviate that by conveying a message of unity, without political partisanship, to end the megalomania problem -- the maniacal sense of Gen Noriega, to stop his attempt to stay in power -- the real power, which is the General Command -- for 5 more years, on top of presidents, which has been the case until now.

However, no one inside or outside the country can take this any longer. We cannot take another fraud like the one I reported. Therefore, from now on, electoral rules must be defined by the Panamanian people in a plebiscite, because due to all the pressures they receive, one cannot count on the Electoral Tribunal or the judicial authorities -- not them personally, but due to the state of terror they have been put into. Without any desire for personal gain or privileges, I say that if Dr Arnulfo Arias is entitled to complete the presidential term, then that should be decided. If his supporters sustain and support this, and if in a sort of popular plebiscite he proves he is entitled to this.... [changes thought] Naturally, one would have to resort to technical things, like counting the ballots -- which must be around somewhere, totally destroyed. [as received] [passage omitted]

Holds News Conference

PA080420 Panama City Radio Continente in Spanish 2117 GMT 7 Jun 87

[Report by Victor De la Ossa on news conference by Colonel Roberto Diaz Herrera, retired, with unidentified reporters at Diaz Herrera's home in Panama City on 6 June; passages within quotation marks recorded]

[Excerpts] [De la Ossa] The overwhelming revelations of Colonel Roberto Diaz Herrera, retired, which have been published by several news media and which have shaken the Panamanian public, will not be reproduced in their entirety as a journalistic effort of this radio station's news department. This confession of Col Diaz Herrera occurred during an unexpected news conference at his home. He laid bare the corruption in the Defense Forces. These striking remarks will surely have unpredictable effects on the country's political activities. These are his remarks:

[Diaz Herrera in progress] ..."How can this be? We sent several tapes to international news agencies to be circulated, yet they do not have the courage either. Now I ask: What is going on in this country? I do not claim to be more courageous than the next man; I am very much afraid, even more so at this moment. But I want to share this information with you."

[De la Ossa] Asked whether he feared for his life, Col Diaz Herrera said:

[Diaz Herrera] "[Words indistinct] I know I have been ordered to be killed. The order was issued Wednesday. This piece of information could have [words indistinct]. Why? Why did I do it? Did I commit fraud? This harms a lot of people. What is this? Did I steal the money for this house? [Words indistinct] I maintain it. Let them take it away from me. But we will remove things from each other. Consequently, we will.... [changes thought] There you have some substance. I am not more courageous than the next man. I am deeply afraid for my family, my wife, all of whom are good people. It was I who sinned. I am willing to confess my sins anywhere. But do not get my family involved. They cannot be held responsible for my political life. Absolutely not. [words indistinct] I know I will have to die some day, as every human being does. You will not have to die?"

[Diaz Herrera's wife] "I want to say something. As a woman, wife, and mother, before you people and at this moment [words indistinct]. Should anything happen to us, I would immediately blame Gen Noriega and Colonel (?Roberto Purcell)."

[Diaz Herrera] "[Words indistinct] prove this. She did it as a woman. I did not want to reach that point. You have seen me. I cannot control my wife's emotions. Forgive her. Forgive them. I forgive everybody. She has been subjected to tremendous pressure during the past 4 or 5 months. [Words indistinct] Let them fight me. I have sent three messages to Gen Noriega saying I want to speak to him alone. In addition, I hereby announce that I want to hold a public debate with him, to be aired through a national television network. I do not want to be prevented from doing these things, because I know what it is all about. I have just come out of there. I know about phoning television stations, telling them to say they do not know anything and are banned from saying this or that. I also am familiar with silencing LA PRENSA. Did you believe that it would be (?spared) after what was done to the paper's printing press? Paredes was there. I was there; I was there and know how it was done. I think they now would say they would harm Sanchez Borbon [LA PRENSA journalist], but that would not work. Yet a reporter is a reporter. I am not courageous at all. If someone touches me, I tremble. [passage omitted]

"As for competitiveness, I must come to an agreement with the North Americans. I am not chief of staff any longer, yet someone always tried to hamper this possibility for me. For instance, they never invited me to any meeting with General Galvin. I attended special meetings only [words indistinct] Central America. I am not an enemy of the Americans, but I have lately been used tremendously. The PRD [Democratic Revolutionary Party] was removed from me. [Words indistinct] some are afraid. They think I should be concerned over what happens in the PRD, whether they are disemboweling each other. The PRD is a loathsome thing because it is not Torrijos' legacy; not at all. Torrijos could be all the bad things he has been charged with being, but in many ways he was a responsible person in this country. He looked deep into many things, although the left describes him as a bourgeois Bonapartist, which is how they describe us. Either I am a bourgeois or not. I am willing to invite any friends here, regardless of their social level. I do not conceal my sins. I want to clarify this. Let all of us make things clear.

"I want a conference, a television panel, with the presence of Msgr McGrath. I believe in the Roman Catholic Church. But this gentleman, [not further identified] who is a seer or a prophet, has shown his weakness."

[De la Ossa] Asked whether his retirement had been in preparation for 4 or 5 months, Diaz Herrera said:

[Diaz Herrera] "I have told Gen Noriega this, and now I repeat it for him here: Colonels Marcos Justines and Alberto Purcell told me in November that Gen Noriega told them I would be leaving. [passage omitted]

"I am afraid. You think I should say it. [Words indistinct]. Do you know what else there is? There is emotion, serious emotion, adrenaline. Do you not think so? [Words indistinct] I've known Felicidad [Noriega's wife] since her first marriage. She and I are friends. What happened then? I do not want to poison anyone in this country, which could do without any more anguish. [Words indistinct]. I want my children free from anxiety, too. [words indistinct]. We are friends. [Words indistinct]. I told him I do not want to be with Gen Paredes. He has his methods and moves in certain circumstances; I do not criticize him for this. He used to send telegrams I did not want to. However, because they are in the process of filing a dossier on me, trying to prove I am insane, let us find out who is insane. We will determine who is nuts, in front of television cameras, in front of local reputable doctors, in front of psychiatrists. [Words indistinct]. Let them look for any other type of doctor, another medical team, or any person. Of course, we will offer a news conference as I keep going deeper and deeper into this. All this before priests."

[Unidentified person] " [Words indistinct]"

[Diaz Herrera] "[Words indistinct]. Consequently, I repeat: I harbor no personal hatred against Gen Noriega, no rancor. [Words indistinct]. He is the Defense Forces commander. But I do not know if he wants to stay 5 more years (?in his post) [words indistinct] Panama. He is entitled; he is the commander; let him do it, if he can. I have already forgotten about the institution. Let them administer the institution, those who are there. I do not want to. I am no longer a threat; I no longer participate in efforts to take command away from another person. I have already retired. I retired, and that is it. Anyone would be happy to retire. All I want is to live in peace with my family. This is all. I have some savings to take a stroll with them -- regardless if this money was honestly earned or not. If we are going to discuss these things, then let us discuss them. Who in Panama does not [words indistinct] where there any number of tricks? [Words indistinct]. no foreign businessman can arrive here who is not forcefully deprived [words indistinct]. They take $50 from him. [passage omitted]

"I will refute some people whose remarks I will dismiss for the moment, not because they are unworthy or because I am afraid. [Words indistinct]. As I said before, I do not know. Television stations did not want to (?leave) anything out. They carried a foolish interview, which still included some conclusions that should not have been aired. They were afraid. [Words indistinct]. I did not even mention it. Now I mention it directly. Who is my ally (?Katia Zaibaba), who lives in Putaparch India. [Words indistinct] if he can. Fidel should send one to him. Tell him I sent him."

[Da la Ossa] Asked about the danger signals he was referring to, Diaz Herrera said:

[Diaz Herrera] "There are several: warnings, direct threats by some of those who are in the institution. I have been called -- I will not mention names -- [words indistinct]. Now, this is the last I will say, and that is it. I speak too much garbage.

"There is a key number, the number 12. I will say it half in code. There is $12 million in Switzerland, which Gen Torrijos left. This information makes (?them) very afraid. I learned about this by accident some time later. He had told me once, and now I say it here. He is dead, yet he is not dead. He is dead, yet he is not dead. [repeats himself] When the shah of Iran came here, he asked Torrijos what he wanted. Torrijos handled a lot of money, but gave it away; he gave it away, such as when he aided the Sandinists. Ask if his children are millionaires. He left them a house; he left something else to the widow, real estate in Las Mananitas, normal things. He left the $12 million that the shah of Iran gave him. But Torrijos, instead of taking it for himself, established a provision no one else was familiar with. He had told me the shah would give us something and we should stop going after contracts and things like that.

"You know, everybody is more or less greedy in this country. Let Ricardo Arias Calderon [opposition leader] get on the power chariot. I could not be too sure. Let him climb to power in the government. I do not know his government platform. I hope he will do a good job. But the shah gave the $12 million to him, and he said no. Deposit them for the 12 children [words indistinct]. And that was it. He died in 1981, and it was reported about this money later.

"Two attempts were made to withdraw the money. Torrijos tried. As his relative, I will not criticize him. It seems something prevented it. Later, engineer Julio Noriega tried to withdraw this money. Imagine the uproar I will cause. This has to do with Commander Flores, who was a member of [words indistinct] in 1981. I am being a fool. After Commander Paredes and Contreras, came Noriega. After Noriega should come Arauz, Bellido Fisher, Ayala, Justines. Well, I also have a million dollars. Apparently, time ran out or something. But his relatives are trying to get the money out. To whom did I deliver the information? To Torrijos' widow. You never saw Torrijos walk with his back bent. This is what we are talking about. I gave the information to Raquel Torrijos, his daughter, whom Torrijos helped obtain a law degree; and to the rest of the Torrijos family, to his widow. Why? In anticipation of a scandal. Dr Pena [words indistinct] said: Do not do this or that. The international [word indistinct] will be terrible for Torrijos; he will be charged with being a thief. I said: No, Torrijos told me the shah has the money. I have reached an [words indistinct]. I do not need the shah's money. [Words indistinct]. But I want to leave to you [words indistinct] if he wants to give the money away, let him give it to you.

"In addition, he determined some vacations. He was not too loose handed. Apparently, however, [words indistinct] what he wanted to leave. But this can be explained. Torrijos's true fortune [words indistinct].

"I also demand immediate understanding for him [words indistinct] who works at the Defense Forces' defense and security commission. He received the information, but is not to be blamed for anything. He did not know the matter related to the shah or the provision [words indistinct] staff member. He only knew about a lawyer called Marchosky or something like that who works for some candle manufacturing enterprise and told him some men wanted to give this report. [Words indistinct] cousin of Torrijos and conveys the information to Raquel Pausner, who knows about this, signed a document, and is now in Brazil. She signed the document and sent it.

"I decided, like a responsible person -- although I was entitled to $1 million in the distribution of the $12 million, mind you -- to avoid a conflict in respect of Torrijos' memory. I preferred that the widow, Camarena [words indistinct]. He did not know and thought: Apparently this will be lost, so let us call the widow and the children. Now they know. [words indistinct]. [passage omitted]

"Arnulfo Arias is not crazy. [words indistinct]. He has been president three times, and three times we ousted him with coups. Well, I [words indistinct] in 1968, because I was captain at the time. [Words indistinct] says history repeats itself in a circle. History is a cycle in which we are born, die, reproduce, evolve; that is all.

"Another leader is Fidel in Cuba, [words indistinct] I do not know who his successor will be; his will be an irreplaceable loss. Personally, I do not know if Raul has the necessary ability, which I personally know Fidel has. He is deeply human.

"They say he killed and executed some people. That may be so, but this is the Fidel I know, from two long meetings, the last one with my wife -- which the news media missed. We flew to Miami, then to the Bahamas, and we arrived in Havana and no one knew about it. I sent a message to Vice President Bush, who certainly knows something about Torrijos' death. General Nutting also knows something about it, as well as a U.S. Air Force Lieutenant Colonel and a Cuban CIA agent. The CIA has a long arm, as you can imagine. I would have enough evidence with just the CIA. I sent a message to Vice President Bush via a courier, (Baby Alfredo Aleman), and I told him that I would like to help Vice President Bush so they could see I am not an enemy of the United States. I tried to close down the Torrijos case. I asked him: Do you have the means to talk to Vice President Bush? I said I wanted to talk to him personally and I needed a translator because I do not speak English. How could I help? I wanted to help so there would be no revenge for the death of Torrijos, Spadafora, or any other person. I want Panama to have peace and to work, even if we go to jail. Let us all speak in Panama in a huge open forum all the country, Latin America, and the world can see." [passage omitted]

[De la Ossa] Regarding the recent meeting the chiefs of staff held at the nunciature, Col Diaz Herrera said:

[Diaz Herrera] "We had lunch at the nunciature and talked about politics. We did not talk about anything spiritual; we just talked about politics. They said Msgr McGrath has no leadership [words indistinct]. I was stuck in the middle between Grimas and Msgr McGrath. In my opinion, Msgr McGrath is an extraordinary clergyman. He is very intelligent, hard-working, and responsible, and has been trying to be a force for equilibrium in the country [words indistinct]."

[De la Ossa] Speaking about Torrijos' death, Diaz Herrera said:

[Diaz Herrera] "Those who agree with me, even Castro himself, asked during the first time I went to Cuba with Gen Paredes in 1983: Diaz Herrera, do you think Torrijos was assassinated? I said it seemed like an accident; it was declared an accident. [words indistinct] I do not want to talk about these things unless I say them before the attorney general or before notable witnesses. I do not even want to talk about the Supreme Court. Personally, I respect the Supreme Court very much. [Words indistinct] when one retires, one finds out that it trembles.

"The news media trembles when one talks to them. Nicolas Gonzalez Revilla promised to broadcast my entire interview. I asked him to broadcast my entire interview. [Words indistinct] they left it like that. They cut and edited some parts of the interview. [Words indistinct] they cut out the part in which I said that I respected people like Carlos Ivan Zuniga [word indistinct]. He is a moderate socialist; he is a decent and honest man, although Torrijos said no one is totally pure. I mentioned that in the interview. I also mentioned I respect [word indistinct]. I also talked about a trip we made to Farallon. [Words indistinct] was being persecuted for having leftist ideas. To persecute people for having communist ideas, to persecute Moravia Ochoa because she writes an ode to Fidel or to Che Guevara -- to persecute people because of these things? Come on. [Words indistinct]. Noses were broken so journalists -- I mean writers -- could be stopped. Who can write like that? Poems are written alone, and various thoughts comes out. Why do they [not further identified] fear songs about Fidel's beard or about Allende?

"[Passage omitted] Reagan has been an extraordinary president. I dare to express this. That they want to punish him, that is something else. In the same way I respect Fidel, I respect Reagan for his capability -- despite having been punished by Irangate -- to reach the highest peak of popularity of the last few decades. Reagan was underestimated because he used to be a movie actor. [passage omitted]

"I have worked with Manuel Antonio Noriega, and with another commander [words indistinct]. I have been his friend; I was his friend. I had someone tell him that I wanted to be his ally, because I do not want to cause a crisis in Panama on the basis of personal [words indistinct]. [passage omitted]

"I do not judge anybody, not even Maneul Antonio Noriega. Moreover, I would (?not) speak before General Paredes at a given moment. There are other things that could be aired here; there is great expectancy. I do not accuse anyone for Torrijos' death. The Torrijos family has this type of documentation -- Moises Torrijos, Hugo Torrijos, and several other Torrijos family members. I do not have these documents, nor do I handle them. It has been handled; it is in the (?Dominican Republic). Dr Pena Gomez knows about this. Certain indications came to light over there, and they have been mentioned. I know this, and I could say it in front of notable Panamanian witnesses with full guarantees for my family's safety. I do request this guarantee for my family."

[De la Ossa] Friends of Radio Continente, you are listening to retired Col Roberto Diaz Herrera's relevant statements made last night after he called several stations. [passage omitted]

This morning, we were at his residence, which is a very large and beautiful mansion. We were also able to detect the presence of armed security guards who look after the security of the family of Col Roberto Diaz Herrera.

[Diaz Herrera] "I do request that it be at my house, on my property, and that they come here as you have. I no longer trust. I have a security service from the Panamanian state. I have sufficient motives, and would say this in front of notables. Things could be said; I do not want to judge anybody, but things could be directly or indirectly mentioned. That could help to clarify what we all know has shaken the Panamanian people: The crime concerning Dr Hugo Spadafora.

He was a guerrilla fighter, or a politician, or whatever -- that is all well -- but things could be clarified. [Words indistinct], former Attorney General Calvo, or some people. I was never in agreement with this crime, I never was. However, I was even made to appear [words indistinct] in LA PRENSA as the intellectual author, etc. Let someone call Dr Ricardo Velasquez who was Spadafora's intimate friend and ask him if I had anything to do with it. You can do this right this minute. Let him tell me that, or let Spadafora's brother Winston say if I had anything to do with that. [Words indistinct] I repeat I do not want to accuse anyone. [words indistinct]

"I spoke yesterday, and they did not want to print what I said during the interview. One brings along state secrets if one holds a position of responsibility. [words indistinct] that is normal in all countries, in Cuba, in the United States, in Russia, in Peru, in Spain. [Words indistinct] they have been recording my words for a long time. [Words indistinct] I recorded many conversations with Dr Ramirez, Gilberto Arias [words indistinct]. It was my duty for state security. Even my wife sometimes had to hear the dirt that this implies. It is a state duty, but I did not like it because [words indistinct]. [Words indistinct] they are looking for a fight with me. [Words indistinct] slander that is circulating -- it is being sent to Cuba, to the United States, and to other places. Therefore, we have to stop this so there will be no more infighting in Panama -- rumors I have gone mad. [passage omitted]

"Do you want to know something? You are Cuban. This house is worth millions of dollars. I said yesterday it was half-stolen. I built it with the money of the people who came from Cuba, with the money they paid for their visas. As chief of the General Staff, I had to sign those visas, so they [not further identified] gave me part of that money. [passage omitted]

"Thus, this is a half-stolen house. I am not ashamed of that. I asked God for forgiveness. Well, if it is necessary they [not further identified] take this house away from me, we are really going to start taking things away from a lot of people in this country. I assume my responsibility. This is a confession, but there are other things that [words indistinct] Torrijos' death, Spadafora's death, and other things that seem less than the loss of human lives. [passage omitted]

"We have lived our life. I said yesterday I am not afraid of my retirement, after all, the word retirement comes from joy. [Words indistinct] to be persuasive, persuasion, that is all, psychological persecution. I know about psychological weapons, too. I myself used those weapons.

"Do you know how many hours I spent with my friend -- although he might not want me as his friend -- [former President] Nicolas Ardito Barletta? I admire him a lot, he is a hard worker and has a very honest wife and extremely Christian family. Romulo Escobar, Jorge Abadia, Gen Noriega, and Colonel Marcos Justines were there with me; all the leaders were there with me. It took me 14 hours to twist Nicky Barletta's arm. People say that is vox populi. I can also give details about the fraud. The end of the fraud of Nicolas Ardito Barletta took place in my own house and was carried out by Magistrates Yolanda Pulize and [name indistinct]. There is more data." [passage omitted]

[Reporter] "Colonel, you talked about the fraud. Could we learn a little about it?"

[Diaz Herrera] "I can give you more details [words indistinct]. In my house, in my former house here at El Golf -- my house now belongs to a real state company called [name indistinct]. [sentence as heard] In addition to my participation with Gen Noriega in an effort to prevent Dr Arnulfo Arias from attaining power...[changes thought] Why? Because of something I said yesterday. I left it there yesterday. The problem was that Dr Arias was always against the institution, and we considered that he could shake the foundations of our institution. That was the reason. We made a great political effort [words indistinct]. Once Col Marcos Justines and I talked with lawyer Cesar Arrocha at his house. I was trying to attain an alliance and make MOLINENA [National Liberal Republican Movement] join the PRD [Democratic Revolutionary Party] group. I even had to talk with the present President Eric Arturo Delvalle [words indistinct]. I told him: Come on Tuturo [Delvalle]; let us unite, because Arnulfo Arias is going to mess things up. He told me: But the figures do not add up; the figures do not add up. [passage omitted]

"I talked to Delvalle and told him: Come on Tuturo; come with us, because El Fufo [Arnulfo Arias] is going to win. I also talked to Cesar Arrocha and after a 2-hour conversation, I told him: Mr Cesar, support us so we can defeat those people. [passage omitted]

"I just called Father [name indistinct], the poor man, I do not criticize him. Msgr McGrath knows about (Zaibaba) and about the whole story, because in front of Father Villalobos, [name indistinct], and Nestor Jaen I told Father [name indistinct] secretly, I confessed many things secretly. They have information they could give to you. Go and talk to them. Tell them I authorize them to talk. Tell them to tell you my confession. I authorize them. I will unchain [words indistinct] you are not afraid, right? [reporters answer: "No"] I told the LA PRENSA director: What is going on there? Do you know what he told me: He said he did not have typists. I sent him a cassette at 2000 yesterday."

[De la Ossa] These were the revealing statements made by Retired Col Roberto Diaz Herrera at a news conference at his own home over the weekend.

Gives Documents to Archbishop

PA090530 Panama City Telemetro Television in Spanish 0345 GMT 9 Jun 87

[Statements by Colonel Roberto Diaz Herrera and Archbishop of Panama Msgr Marcos McGrath during McGrath's visit to Diaz Herrera's home; date not given -- monitored in progress]

[Text] [Diaz Herrera]...they were given to me disassembled; they did not dare give them to me assembled. [applause and laughter]

We are going to wait for Msgr McGrath; we are going to wait for the clergy. I wish to reiterate and swear in the name of God, whom I love, and in the holy memory of my mother that I am not moved by hatred or desire to seek revenge against Manuel Antonio Noriega or his family. I only want to see a new sun shine over Panama. [applause]

[McGrath] I have come here because Roberto asked me to come here tonight to receive some documents that are proof of what he has said in his various charges. I am going to accept these documents; [applause] I am going to accept these documents, which will be kept in a sealed envelope; and I will keep them until charges are formally presented. In this way, they will be safe.

Second, I would like to tell the colonel and his family that they have our support, that they can feel safe [applause]; and I would like them to put the weapons away here in the house, to remove from the house anything that may give the impression of violence and avoid provoking.... [people shout] Please, please. I know that in order for this to be done, he must be guaranteed that his house will be safe. I believe that we must demand this guarantee.

All of us who are here want justice without violence [people shout]. I have said what I came here to say and will add that we are here to support -- silence please, silence -- we are also here to support the communique we issued this afternoon, in which we stated that the whole country needs, and is demanding that these charges be heard and proved before a court that enjoys the trust of the nation. Otherwise, the country will not be happy.

[Diaz Herrera] I also wish to add that I appreciate all that Msgr McGrath and the church have done. He came here this morning after we asked the apostolic nuncio to send Msgr McGrath as protection. I could do this alone with the few weapons that Noriega is afraid of. He could not get one of the men out of here; he got his parents to come and ask him to leave. He is afraid of one man that he has seen by my side on television. They have even tried to disarm me. My own weapons, the weapons I requested a few days ago were sent without clips and without ammunition. The stores will not sell me ammunition. I know this game well. I will disarm myself as long as I do not have to be calling on the church for protection. About a month ago, we called Msgr Brown to tell him we wanted to talk. He could not come. We have asked at least six other priests to come here. We fear that the church will also be silenced. That would be very serious. We will order our men to disarm if we all stay here. I will disarm the few men who are armed if Msgr McGrath also stays here. [applause]

OPPOSITION LEADER DISCUSSES CURRENT SITUATION

PA090550 Panama City Radio Continente in Spanish 2252 GMT 8 Jun 87

[Statement by Ricardo Arias Calderon, president of the Christian Democratic Party; place not given -- live]

[Text] Thank you very much. Today, I wish to express my solidarity with Radio KW Continente and other stations in network with this station: namely Radio Belen, Radio Ondas del Caribe, an Radio Peninsula. They make up the national radio network of the Panamanian people's dignity.

In my greetings and my expression of solidarity, I wish to include Radio Mundial owned by Carlos Ivan Zuniga, a great democratic leader and friend.

Throughout the day, we representatives of various democratic opposition parties have held meetings. It is very encouraging to note that our agreements are increasingly greater and deeper. The top leaders of the Panamenist Authentic Party, MOLIRENA [Nationalist Liberal Republican Movement], the Popular Action Party, the Authentic Liberal Party, and the Christian Democratic Party have participated in these meetings.

We share several main viewpoints that can be summarized as follows: We believe that Colonel Diaz Herrera's charges -- specifically those involving the 1984 election fraud, the murder of Dr Hugo Spadafora, the death of General Torrijos, and serious and scandalous corruption -- call for the immediate dismissal of all officials charged, particularly General Manuel Antonio Noriega, who, according to Col Diaz Herrera's charges, is the most involved.

We representatives of the various political parties believe the immediate dismissal of such officials -- especially Gen Noriega -- would allow the establishment of an investigation commission and the organization of a great national movement for renewal and democratization in our country.

We also believe the time has come for great movement uniting political parties with civic, professional, business, labor and student organizations to share the responsibility of ending the current regime, which is experiencing an open crisis, and help construct a new free, just, and decent fatherland.

The country has suffered long hours of anguish, but also hours filled with hope, because we have managed to achieve real unity experienced by each neighborhood, village, and city.

During the next 24 hours, we hope to receive the support of important labor groups to join this civic-political undertaking to promote change.

We will meet again. Representatives of political parties are meeting now with various organizations. We hope that they, in keeping with the cohesive will of the Panamanian people, will agree to work side by side with us in sovereign equality for urgently needed renewal and democratization.

We believe several main organizations will be replying during the next 24 hours. Tomorrow the great will to democratize and reform the nation will be realized once and for all.

I also wish to inform all those who are listening that throughout the day I have had the opportunity to exchange views with the leaders of neighboring countries. I conveyed the anguish of the Panamanian people; in some cases I briefed those unfamiliar with the dramatic situation facing our country.

I asked each leader to monitor our path to democratic solidarity. Many of them have faced similar situations and show solidarity and respect for our sovereignty and national determination. Basic prudence forces me to speak in geneal terms: Not one of the leaders and top officials of neighboring countries have been indifferent to the information I conveyed. Each of them in their own way wanted me to convey to the Panamanian people the fraternity shared by the peoples of their respective nations who are struggling to achieve democracy, social justice, and genuine national sovereignty.

Panamanians are not alone in this decisive moment of our history; many are beginning to closely monitor our drama. Although we alone are called to establish democracy, vindicate our history, and renew our country, we know brother countries and their democratic leaders are aware of today's events and convey the hope we will experience a great democratization movement.

Today, I am more hopeful than ever because our spiritual leaders have also taken a step forward in this great democratization effort. They have overcome prior caution and have begun, in spiritual unity with the desires of our people, to establish new paths. The words of our archbishop and auxiliary bishops today state that the church -- the people of God -- is united with the Panamanian people in this struggle for decency and democracy.

This must inspire all of us to make necessary sacrifices during the coming years. To everyone listening to me: This is everyone's moment. No one should think that the task will be carried out by others. We must all carry out this task together: civilians struggling for democracy and military men who wish to vindicate the honor of their profession and find a role compatible with democracy. Together, we will bring about this change peacefully, without violence. The present and the future will be etched in our history as days of great rebirth for the Panamanian nation. Thank you very much.

PRD President on Diaz Herrera

PA090517 Panama City Domestic Service in Spanish 1802 GMT 8 Jun 87

[Report on news conference by Dr Romulo Escobar Bethancourt with local and foreign news media at General Torrijos' former residence; date not given -- passages within quotation marks recorded]

[Excerpts] Romulo Escobar Bethancourt, president of the National Executive Committee [CEN] of the Democratic Revolutionary Party [PRD], said that the statements made by Colonel Roberto Diaz Herrera, retired, were defamatory and slanderous. During the past 72 hours, Diaz Herrera has leveled much criticism against the government, the Defense Forces, and the PRD.

Escobar Bethancourt was accompanied by Carlos Ozores, PRD secretary general; Ramiro Vasquez, first secretary general; and Hirisnel Sucre, second secretary general. [passage omitted]

Asked what message he has for the nation, Romulo Escobar Bethancourt said: "On behalf of the PRC I must tell the nation that this is nothing more than the continuation of a constant destabilization policy against our country to divide and weaken our Armed Forces, to hand over power to reactionary groups, to seat in the government those people with which the United States can negotiate and, thus, evade its commitments concerning the Torrijos-Carter Treaties: mainly, the evacuation of both civilians and military personnel from our country at the end of the century. My message is being sent to our fellow party members. We will tell all UNADE parties to not only remain on alert, but also to struggle in every way possible to prevent the enactment of these destabilization plans." [passage omitted]

One of the newsmen said that Romulo Escobar Bethancourt had been mentioned by Diaz Herrera as one of the PRD members who had participated in the 1984 electoral fraud and asked if Washington is behind Col Diaz Herrera's destabilization plans.

[Escobar Bethancourt] "First, I want to make it clear that he has not mentioned me as being in that house at any time. What he did say was that I attended a meeting held on the day that President Barletta left his job as president of the Republic. In the second place, I want to make it clear to you that we affirm that this is nothing but the continuation of a destabilization plan against our country. In this case Col Roberto Diaz Herrera is being used because I imagine he is angry about his retirement. He does not want to understand that every man reaches a moment when he must retire. Yes, indeed, we feel that domestic forces, allied with U.S. reactionary forces are involved in this event. [passage omitted]"

Romulo Bethancourt said that the party would take strong action in view of the charges made by Col Diaz Herrera.

[Escobar Bethancourt] "Yes, we will undoubtedly take strong action in all matters we feel concern our party -- a party founded by General Torrijos Herrera -- and will hold Col Roberto Diaz responsible. This accountability will be demanded of him either through the courts or in a public debate, or by any legal public tools of our country. Our party which is also Torrijos' party, has decided to hold him accountable. As far as we are concerned, anyone who disrespects General Omar Torrijos Herrera disrespects us and we will be willing to confront him, no matter how closely related to Gen Omar Torrijos Herrera he may be. [passage omitted]"

Concerning the fact that the far right reactionary sectors of this country have rallied to support the retired military officer, the PRD leader explained the following: "In our judgment this is precisely what it is -- a conspiracy. Observe Col Roberto Diaz Herrera's position: No Torrijista has gone to him, not the PRD, the people who accompanied Gen Torrijos, or our struggling party members who are following the party line to change the country. Those who support him are the country's most reactionary sectors; those sectors that want the United States to intervene in Panama, that are willing to back the United States in noncompliance of the treaties and that are opposed to Panama's position in Central America. He is accompanied by people who are against our relations with Cuba and Nicaragua. He is accompanied by people who are against our membership in the Nonaligned Movement. These are the people who are around him -- our country's reactionary sectors, who want to take Panama back to what it was before 1968. That is why the PRD is calling its rank and file all over the country to face this sedition. The fact that they are now using Col Roberto Diaz Herrera, retired, does not surprise us. Before that, they used THE NEW YORK TIMES, the Hugo Spadafora case. They have used all available instruments to achieve their ends: to destabilize this country and install in Panama a reactionary and rightist government. [passage omitted]"

Assembly President Discusses Case

PA090355 Panama City Panavision Television in Spanish 0000 GMT 9 Jun 87

[Passages within quotation marks recorded]

[Text] This morning Democratic Revolutionary Party and National Democratic Union legislators analyzed the recent statements by Col Roberto Diaz Herrera, retired. SNN [National News System] interviewed the president of the Legislative Assembly Ovidio Diaz, who referring to the topic said:

"For us there is no possible explanation. He was chief of staff until several weeks ago. For reasons unknown to us he is making statements that cannot be proved; they only destabilize the country. You understand? We cannot believe that one person can destabilize the country, giving arms or arguments of any nature to the opposition, who has only been trying to place obstacles in the government's path. The attitude of Robert Diaz is incomprehensible to us. We think it could be caused either by frustration related to his inability to remain in power -- because all positions are transitory -- or an extraordinary desire to get attention. There could also be a sort of mental unbalance, which we would not like to think is the case. However, as much as we analyze his statements, we cannot find the necessary coherence to bring about a regrettable situation in this country."

Legislator Ovidio Diaz said that the assembly should continue normal debates approving laws that benefit the country. He also said that there are interests in destabilizing the government conspiring to break away from established channels. The assembly must protect government institutions. Legislator Ovidio Diaz added:

"We cannot go into the streets to destroy ourselves. We cannot do this. Apparently a female legislator attempted this by crying while being interviewed on a radio station. However, this is nothing more than a conspiracy, armed and encouraged by opposition sectors. They did not support her election campaign; she was elected by a government party."

Spadafora's Brother Views Crisis

PA090433 Panama City Panavision Television in Spanish 0000 GMT 9 Jun 87

[Interview with Winston Spadafora, brother of late guerrilla leader Hugo Spadafora, by unidentified reporters; date and place not given -- recorded]

[Text] [Begin recording] [Reporter] When questioned about the factual proof that Col Diaz Herrera has offered to give on the death of his brother, Winston Spadafora said the following:

[Spadafora] I am certain that Channel 5 [Panavision Television] will not broadcast this interview, but I lose nothing because you are two very charming interviewers. I answered Col Diaz Herrera's call to go to his home at 2330 yesterday, where he promised to make some reveiations. I went and met with him for 2 hours. We exchanged information; his and mine coincided; and we reached the conclusion that Gen Noriega had ordered the killing of my brother Hugo Spadafora before he went to Switzerland. The order was carried out by Major Cordoba and Captain Mario del Cid. The actual killers were the three people accused in the brief improperly compiled by the nation's Attorney General's Office, and then illegally stayed. You mention evidence. What I can say is that we filled each other in on much information. He revealed to me that although he was chief of the general staff, he was not informed; and that when he was trying to determine what happened to my brother Hugo Spadafora, Maj Cordoba denied him information.

[Reporter] You talked at length with Col Diaz Herrera. This morning, the government's communications media said that he is a little mentally unbalanced. What is your opinion?

[Spadafora] What can be expected of ERSA's [government printing office] newspapers, which Father Villanueva labeled unfit even for use in latrines; and what can be expected of Carlos Nunez, who wrote this morning's article in CRITICA? What can be expected of Carlos Nunez, who reviled my brother before he was murdered?

I did speak at length with Col Diaz Herrera. He is a very sane and composed man, and very sorry for the filth and corruption in the Defense Forces. I see him as a man close to God. I see him even saner than myself.

[Reporter] What is your opinion of the present situation, considering it has been said that a state of siege could be declared? What do you believe could happen?

[Spadafora] Anything could happen here, and unless we make a courageous decision this time, we deserve to have a dictatorship until the year 3000. I am going to stay here with my family and continue supporting this soldier who courageously made statements that even incriminated himself. I will be here, if possible, until Gen Noriega falls. I repeat, I know that you are not going to broadcast this interview.

[Reporter] That is what you say. [end recording]

Church Issues Statement

PA081914 Panama City Circuito RPC Television in Spanish 1750 GMT 8 Jun 87

["Communique" issued by the Archdiocese of Panama on 8 June 1987; read by Auxiliary Bishop Msgr Oscar M. Brown]

[Text] The statements made by Col Roberto Diaz Herrera, retired, have notably intensified the tension that already existed in the country. They will have far-reaching consequences for the Defense Forces as an institution, and for Panama's political and democratic life. Some matters by their nature fall outside the church's scope; however, resolution of these matters involves human values that are of concern to the church, values about which the church has been preaching, without always being heard.

We ask, first of all, that the safety of Col Diaz Herrera and his family be guaranteed, as well as the safety of all persons who could help to clarify his serious charges. We call on political groups, from both the government and the opposition, to take care to avoid any violent confrontation. The truth in this instance will not be demonstrated by force, insults, or intimidation. Public accusations have been offered by a witness who has declared himself to have been a participant and an accomplice to the events that he relates. He has offered to substantiate his accusations, and he is prepared to submit to examiniation by local and foreign psychologists to determine his capability to testify.

We believe that, unless the main points of this testimony are clarified, there will continue to be unrest, and the mistrust currently prevailing in the nation will be deepened.

We cannot fail to mention what every Panamanian has in mind: To find a formula to guarantee an impartial investigation of the charges that have been made.

Panama, 8 June 1987

Signed: Marcos Gregorio McGrath, archbishop of Panama; Oscar M. Brown, auxiliary bishop; Jose Luis Lacunza, auxiliary bishop; Juan Bustavino, vicar general; Fernando Guardia, pastoral vicar; Jorge Altafulla, eastern episcopal vicar; and Jose Luis Andrade, episcopal vicar of western Panama. One missing signature is that of Father Aurelio Garcia, episcopal vicar of Cocle, who was unable to attend the bishops' meeting

CHAMBER OF COMMERCE CALLS FOR INVESTIGATIONS

PA090030 Panama City Radio Continente in Spanish 2200 GMT 8 Jun 87

[Communique issued by the Chamber of Commerce, Industries, and Agriculture of Panama in Panama City on 8 June]

[Text] In view of the charges and public statements made by Col Roberto Diaz Herrera, retired, accusing important civilian and military officials of the national government of serious crimes affecting Panama as a nation, the Chamber of Commerce, Industries, and Agriculture of Panama feels that:

1. These developments show a serious institutional crisis and affect the legality and credibility of institutions, mainly the executive branch, the legislative branch, the Supreme Court of Justice, and the Electoral Tribunal.

2. Diaz Herrera raises serious charges against high-ranking officers of the Defense Forces of Panama and confesses to having been a party to several of such crimes.

The Chamber of Commerce, Industries, and Agriculture of Panama resolves:

1. To ask for the immediate removal of all officials accused and involved -- both military and civilian -- from their posts until the facts and charges raised are clarified.

2. Because of the lack of institutional credibility of the offices called upon to administer and to impart justice, we ask for the appointment of an independent commission with full guarantees to carry out the pertinent investigations and trials in full view of the country.

3. To urge all managerial, civic, professional, and labor groups to unite in a great civic crusade with the fundamental objective of rescuing and rebuilding institutions so they can guarantee justice and true democracy in our country.

Issued in Panama City on 8 June 1987.

[Signed] Board of Directors.

Aurelio Barria, president.

MOLIRENA Issues Communique

PA082244 Panama City Radio Continente in Spanish 2118 GMT 8 Jun 87

[Communique issued by the Nationalist Liberal Republican Movement [MOLIRENA] in Panama City on 8 June]

[Text] From the moment MOLIRENA was born and joined the country's political life, this party has insisted the transgression by the Defense Forces of the limits that constitutionally and historically correspond to them has been the main cause of the unrest, lack of confidence, and the moral, fiscal, political, economic, and financial crisis the country has been experiencing for many years.

Now in view of the serious accusations expressed to the country by Colonel Roberto Diaz Herrera, who until very recently was the deputy chief of the Defense Forces, it is necessary to initiate a very detailed investigation of those accusations, particularly the ones linked to the electoral fraud, the murder of Hugo Spadafora, the death of General Omar Torrijos, and the embezzlements and misuse of public funds.

This investigation should be conducted by completely independent organizations that responsibly guarantee its impartiality, the search for truth, and the discovery of those responsible for the crimes.

For such an investigation to take place within the necessary framework of respect and credibility, it will be necessary to separate from their posts all those accused by Col Diaz Herrera for as long as the investigation lasts.

MOLIRENA reiterates its permanent criteria that only the submission of the Defense Forces to civilian power and the fulfillment of its exclusive functions of defending the country's territorial sovereignty and maintaining public order will lead the country to the paths of true democratization through the reestablishment of a climate of public morale and administrative decency.

Panama City, 8 June 1987.

BETHANCOURT CHARGES U.S. SEEKS TO KEEP BASES

PA050206 Panama City ACAN in Spanish 2329 GMT 4 Jun 87

[Text] Panama City, 4 Jun (ACAN-EFE) -- The United States intends to perpetuate its military presence in Panama and to negotiate with this country's government the suspension of some of the clauses of the Torrijos-Carter Canal treaties, signed in 1977 by both countries.

Romulo Escobar Bethancourt, president of the ruling Democratic Revolutionary Party (PRD), charged today proposals have already been made "informally" to prevent the U.S. military units stationed in Panama from leaving the country in the year 2000, as the treaties stipulate.

According to Escobar Bethancourt, the United States has offered to deliver the Canal to the Panamanian Government in 1990, 10 years before the agreed date, in exchange for authorization to maintain its military bases in the country "indefinitely."

The political leader affirmed "they are feeling us out to see how we will react to their suggestions in order to make a formal proposal later."

The president of the PRD, founded by the late General Omar Torrijos who mastermined the canal treaties, said before such proposals are made "they have already been rejected" because "we are only awaiting the year 2000 in order to complete our anticolonialist policy."

The Torrijos-Carter Treaties guarantee, as of 31 December 1991, Panama will administer the canal, built by and under the control of the United States.

Carlos Ozores, Panamanian member of the Panama Canal Board of Directors and PRD Secretary General, pointed out "the country cannot fall into the trap" of agreeing to proposals that will force it to accept the Canal without the improvements needed for its future operation.

He added the work needed for widening the Culebra Cut, narrowest section of the Canal and on which the usefulness of the Canal depends, cannot be completed in the 3 years remaining before 1990.

That project, estimated at over $400 million, must be paid for by the United States, according to the Panamanians, and by Panama, according to the United States. Based on canal traffic studies, the project must also be concluded by 1997 if the canal's efficiency and profitability are to be maintained.

COMMENTARY ON ABRAMS' ROLE IN 'IRANGATE'

PA060006 Panama City Televisora Nacional in Spanish 0000 GMT 5 Jun 87

[Station Commentary]

[Text] As time goes by, the Americans and the rest of the world find out about new irregularities -- each one worse than the last -- all of them linked to the scandalous arms trafficking case also known as the Iran-contra scandal or Irangate. High-level officials -- and the higher the position, the more involved -- have been appearing before Congress. Each time a new sensational disclosure is made, the U.S. President's image is further harmed.

Individuals who seemed to have crystal-clear honesty have fallen under the weight of serious investigations that present them as what they really are. One of the latest to fall has been Elliott Abrams, the assistant secretary of state for Inter-American Affairs, who was the target yesterday of very harsh interrogations by congressmen and political leaders, not to mention the great U.S. press that has not only accused him of lying, but also asked him if he thought the U.S. Congress was filled with cretins and idiots.

It seems there is general corruption. What was stated just a few days ago, is emphatically denied later. What one says is rejected by another. The shower of criticism grows everyday. Elliott Abrams' best defense is that he refuses to be what he describes as the scapegoat of Irangate. He refuses to resign, although various groups are asking him to resign.

At one time, this same Elliott Abrams was an aggressive spokesman and defender of Reagan's policies against Panama and other Latin American countries. He now describes himself as a defender of human rights and keeps silent when he is specifically charged with being a born plotter. As a well-known philosopher once said: Retribution comes to everyman. The man who once pointed his finger at our country is today being accused by his fellow countrymen.

FOREIGN MINISTER CAPUTO DISCUSSES FALKLANDS

PY090306 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0122 GMT 9 Jun 87

[Text] Buenos Aires, 8 Jun (NA) -- Foreign Minister Dante Caputo tonight stressed that the Argentine Government will maintain interrupted relations with Great Britain "as long as necessary." He also stated that "we will return to the islands (Malvinas) with intelligence and good sense, preserving our territorial integrity and the lives of Argentines.

"We Argentines are discovering that patience is a trump card in all fields," he added, "and I believe that in the past when we sought sudden solutions we learned that the lack of patience has costs us dearly and opened the door to those who preach against democracy."

In remarks to the program "Malvinas: London Connection," broadcast by Television Channel 13 here, Caputo rejected the idea of any type of negotiation with Great Britain that does not include the topic of sovereignty over the southern archipelago.

He highlighed the fact that Great Britain wishes to reestablish relations with Argentina with the exclusion of the topic of sovereignty over the islands, and said this is "a great contradiction." He stated that "this was the problem that caused the 1982 confrontation."

On this point, he added that the position of Margaret Thatcher's government "comes pretty close to being a trap, because under the guise of being sensible, paths are proposed that really do not resolve the only problem that common sense indicates should be resolved: The problem of sovereignty.

"The most sensible position," he added, "is that of putting the most important matter on the center of the table, knowing, as we all know, that difficult problems cannot be resolved by magic, that there is not going to be a sudden agreement between the British and Argentines, but let us build around the main problem the paths toward resolving other matters."

He also recalled that the negotiations the two governments tried to undertake on 3 July 1984 in Berne, Switzerland, failed because "the British attitude was to pound the table and make very clear that the topic of sovereignty was in no way to be discussed. If we had accepted those conditions we would have set a very dangerous precedent for Argentina's demands," Caputo stated. He also charged that the Thatcher government is making use of the Malvinas topic for "electoral impact," and he considered that this "immensely complicates the problem and makes it very hard to resolve."

He noted that the "electoral" exploitation of the topic in 1983 would have meant "a great benefit" for the Radicals, "but we did not exploit it."

Further Comments

PY090325 Buenos Aires TELAM in Spanish 0257 GMT 9 Jun 87

[Text] Buenos Aires, 8 Jun (TELAM) -- Foreign Minister Dante Caputo has said that Argentina is willing to declare a cessation of hostilities on the Malvinas conflict if this step would make Great Britain agree to initiating a serious negotiation process.

In a statement to the local Channel 13 station, Caputo said that because Argentina never formally declared war, it does not have to declare the cessation of hostilities.

In view of this remark, Caputo was reminded that on 17 November 1986, President Alfonsin proposed in the United States to declare the cessation of hostilities in exchange for the repeal of the 200-mile exclusion zone declared by Great Britain.

In this regard, Caputo said that proposal has not yet been answered by Great Britain, but admitted that although Argentina finds it legally unnecessary, it would agree to declare the cessation of hostilities if Great Britain finds it necessary to pave the way for negotiations.

Caputo added that although a declaration of the cessation of hositilities might seem useless, Argentina would do it if it will promote dialogue, but without considering it a concession.

British Interviewed on Issues

PY082358 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1842 GMT 8 Jun 87

[Text] Buenos Aires, 8 Jun (NA) -- British Government officials, Parliament members, and specialists stated in London the need to reestablish diplomatic relations with Argentina, which were broken in 1982 as a result of the South Atlantic war. However, most of them opposed the idea of including the sovereignty issue in eventual negotiations.

Baroness Janet Young, a foreign office official and spokesman for Prime Minister Margaret Thatcher on the Malvinas issue, said: "We would like to have better bilateral relations with Argentina in all areas." Regarding discussions over sovereignty, however, she said that Argentina wants to discuss this issue with a "predetermined outcome: that the islands become part of its territory." "This cannot be considered negotiation."

Young and other officials and specialists were interviewed on the television program "The Argentines," aired tonight by Channel 13 under the title: "Malvinas: London Connection."

Young referred to the 1982 war, and categorically said that "many British soldiers died in the war and this cannot be easily forgotten. Despite this, she said: "We have tried to improve our relations with Argentina because we would like to have better bilateral relations in all areas, whether for refinancing the debt or unilateral lifting of our trade embargo." She then mentioned that "Argentina has not yet declared an end to the hostilities" and that "every time we tried to negotiate something we did not get anywhere on any of the issues." She added: "It would be a great help if the Argentine foreign minister took some of the suggestions we made to him."

Regarding the fishing restrictions unilaterally imposed by Great Britain last February, Young emphasized that "we want to preserve fishing resources for the benefit of the countries involved in fishing, including Argentina, which is a country of the South Atlantic." She reiterated that her country "would prefer a mulilateral fishing regulation" and that the current fishing restriction is "temporary."

A member of the House of Commons of the Labour Party said that "Mrs Thatcher suffers from mental block because the war was a prelude to her victory in the 1983 general lections" and that this situation "prevents the beginning of negotiations as long as Thatcher remains prime minister." He said: "I believe that the time to negotiate is right. We are burdened with the enormous cost of the Falklands (Malvinas) fortress in financial, diplomatic, and military terms." He added: "We should be discussing all the issues that separate us from that Western democracy."

Cyril Townsend, a member of Parliament, admitted that the cost of the island for the United Kingdom "has been enormous." He questioned the fact that his government recognizes "all kinds of intolerant governments but ironically we do not have relations with a friendly, pro-Western, pro-European and democratic Latin American country. I would even go so far as to say that I would be willing to include the word sovereignty in the agenda. However, I believe that the first priority now is to establish diplomatic relations."

Viscount David Montgomery de Alamein, a member of the House of Lords, categorically said that "the word sovereignty is the only word that must not be used in the first stage of dialogue" and that it is necessary "to begin direct dialogue between the two governments gradually."

David Thomas, former deputy secretary of state for foreign and commonwealth affairs, warned that "the British Government is not willing to discuss the sovereignty issue. A dialogue under current conditions is a dead-end street." Thomas added: "This is not the appropriate time for dialogue because general elections are being held in Great Britain. If the Argentines do not postpone discussion of the sovereignty issue it will be very difficut to hold negotations at this time."

Malcolm Deas, a specialist in Latin American issues at Oxford University, said that "it is quite stupid to continue with current situation." He explained that "people on the street favor beginning negotiations with Argentina and greater exchanges of views but this does not mean that the people on the street agree with giving up the islands within a short time." Deas added that "for the people on the street the Malvinas is not a colonial situation but the legacy of the empire."

ALFONSIN MEETS WITH AIR FORCE CHIEF CRESPO

PY072215 Buenos Aires BUENOS AIRES HERALD in English 6 Jun 87 p 11

[Excerpt] (NA-DYN) -- President Raul Alfonsin yesterday met Air Force Chief-of-Staff Brigadier Ernesto Crespo and other members of the Air Force High Command to discuss the military budget and projects leading to the modernization of the Armed Forces.

Alfonsin had met members of the Navy High Command in the Sarmiento frigate on Thursday night. Sources revealed that Navy Chief-of-staff Vice-Admiral Ramon Arosa had expressed concern over the image of the Armed Forces in the public eye. Other sources said Alfonsin is adamant about speeding up the reform of the Armed Forces and in that sense had prompted the creation of a congressional committee to study the issue.

Rumours suggested that each force was planning political agreements aimed at attracting sympathy for the Armed Forces so that the population "could again consider the military as an integral part of society." [passage omitted]

JAUNARENA DENIES RESIGNATION, DISCUSSES MILITARY

PY082211 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2045 GMT 6 Jun 87

[Text] Buenos Aires, 5 Jun (NA) -- Defense Minister Horacio Jaunarena today denied the possibility that he will resign in the near future, "because facts have disproved this possibility." He invited Deputy Jose Luis Manzano for a "serious" discussion on defense policies and deemed speculation about the possible replacement of Defense Ministry Secretary Alfredo Mosso as "untimely," because the reorganization of the Defense Ministry has not yet begun.

The defense minister made these comments during a reception he hosted for reporters on journalists day, which will be celebrated on 7 June.

Regarding Deputy Manzano's comments that Minister Jaunarena is an "ineffective defense minister," Jaunarena said that "it would be very interesting to hold a serious conversation" with the Peronist deputy on "defense policy." The Renewal Peronist deputy had stated that "even some of Jaunarena's own partisans" have withdrawn support from the minister because of the way he runs the ministry. When asked about the possibility of resigning, Jaunarena answered: "We are working just as we did when we took over this ministry," and added: "I believe the facts disprove this possibility."

Jaunarena has said that "speculation" over the possible resignation of the ministry's secretary, Alfredo Mosso, are "untimely," and added that the "reorganization" of the ministry is the only thing being currently analyzed.

"We will have to wait for the new organizational chart first. Then we will be able to talk about replacing employees, who, as is well known, always put their resignations at the disposal of the minister," he said. Jaunarena added: "First it is necessary to define the organization of the ministry. It is therefore untimely to speak of replacements or to speculate about names."

Regarding the Due Obedience Law recently approved by Congress, Jaunarena said that it involves "a clarification of the responsibilities" of those who participated in the fight against subversion.

Jaunarena said that the meeting of President Alfonsin with the Navy commanders was "very interesting," and added that all the concerns of the Navy "had been reviewed." He said that relations between the government and the Armed Forces were "satisfactory and normal," and emphasized that now "we have to make all necessary efforts to modernize the military institutions in order to provide the country with the kind of modern Armed Forces Argentina deserves."

Regarding the work of journalists, Jaunarena thanked those reporting on military and defense topics because "all of them contribute, from their respective places of work, to building the pluralistic society we all want."

He recalled that today marked his first anniversary as defense minister. Those present applauded this remark. The minister then invited journalists "to share the responsibility for the handling of this area during the period Argentina is going through, which I believe is of the utmost importance for the consolidation of the institutions so we can have a stable system of government in the future."

Ministry Secretary Alfredo Mosso, and the chief and deputy chief of the General Staff, Brigadier General Teodoro Waldner and Vice Admiral Barry Melbourne Hussey, respectively, were present at the reception.

PRESIDENT ALFONSIN DEPARTS FOR GENEVA 8 JUNE

PY090016 Buenos Aires TELAM in Spanish 0010 GMT 9 Jun 87

[Text] Buenos Aires, 8 Jun (TELAM) -- President Raul Alfonsin departed for Switzerland just before 2100 [0000 GMT]. In Geneva he will address the ILO Conference and the UN Disarmament Commission.

GOVERNMENT, PEASANTS AGREE ON NEW ANTIDRUG MEASURES

PY080200 Madrid EFE in Spanish 2321 GMT 7 Jun 87

[Text] La Paz, 7 Jun (EFE) -- The Bolivian Government today disclosed a new approach for fighting drug trafficking in a draft agreement with peasants, workers, and coca growers which will probably be signed tomorrow.

An agreement that reveals a change in the government's point of view was announced after 6 days of intensive negotiations between government representatives and leaders of the Single Trade Union Confederation of Bolivian Peasant Workers (CSUTCB), the Bolivian Labor Confederation (COB), and the National Association of Coca Growers (ANAPCOCA).

Initially, an agreement was reached to mobilize the entire country against drug trafficking, especially the peasants through the CSUTCB and the COB.

It was pointed out that there is a need to fight the current corruption in organizations charged with repressing cocaine manufacturers and traffickers, the judicial system, and other national and social institutions.

An agreement was also reached to make a great effort to reorganize agricultural production to facilitate the replacement of coca growing and also to offer real possibilities for the development of the economy of the peasants and the rural regions which will be affected by the replacement.

In accordance with the Overall Development and Replacement Plan [Plan Integral de Desarrollo y Sustitucion -- PIDYS], the peasants will voluntarily eliminate excess coca production and will receive "just" compensation. However, the amount of the compensation was not specified in the document.

The government will also recognize that "the use of coca cannot be considered criminal," that it is part of traditional consumption. Therefore, its use will not be considered a violation of the law for the control of dangerous substances, which is going to be approved this year (the peasants of the altiplano and the valleys have been chewing coca for centuries). Therefore, "the production, commercialization, use, and traditional consumption of coca (chewing, medicine, ritual, or other use not considered narcotic) will not be considered a crime."

Current laws define coca leaves as "narcotic" and brand coca growers as "drug traffickers." The new government view will be explained by Bolivia "in international meetings, drug-related organizations, and in the country's bilateral and multilateral relations."

According to the document, the reducion of coca plantations and their replacement by other crops will be subject to a program that should be compatible with positive results under the economic development plans of the affected rural sectors. The agricultural projects currently being implemented in the tropical regions of the La Paz and Cochabamba Districts to replace coca growing will have to be reorgnized and then implemented with the necessary participation of the CSUTCB, the COB, and the ANAPCOCA.

The plan to eliminate surplus coca growing will conclude with "an investigation of fortunes and goods of dubious origin in order to extend control of the drug-trafficking laws to the material benefits obtained from drugs, especially the benefit obtained by people linked to the control of and struggle against drug trafficking."

The draft agreement also mentions the political will of the government, peasants, workers, and coca growers "to carry out an all-out struggle against drug trafficking and the mafia, the main target in the joint struggle to eradicate drug trafficking."

However, the document states that the international support given Bolivia so far to fight the manufacture, commercialization, and consumption of drugs is not enough "to guarantee the development of the economy of the peasants and the regions." Therefore, the document says that efforts must be made to get enough external financial resources to fulfill the objectives of the PIDYS.

The document concludes by stating that drug trafficking will only be defeated with the serious commitment of the international community "because without an effort by the countries affected by drug consumption and without greater financial support for the Bolivian Government and people, it will be impossible to face such a large problem."

COB ISSUES REPORT ON COCHABAMBA INCIDENT

PY052228 La Paz La Red Panamericana in Spanish 1700 GMT 5 Jun 87

[Text] COB Secretary General Walter Delgadillo has reported that government, COB, and Bolivian Peasant Confederation representatives will meet this afternoon to try to solve the peasant problem.

He also said that he already received the report from the COB delegation that went to Cochabamba to verify recent events.

[Begin Delgadillo recording] So far, it was verified that as a consequence of that regrettable incident 4 people died, 26 are still missing, and 25 others were injured.

Also U.S. troops were seen, that is, U.S. brigades, at the UMOPAR [Mobile Units for Rural Areas] garrison in (Chimore) which is something that has worried our fellow peasants. We have demanded that an impartial committee be formed (?by the) Episcopal Conference, the Human Rights Assembly, and media representatives to investigate the situation. [end recording]

Afterward, Delgadillo said that the COB insists on the formation of a special committee to travel to Cochabamba (?because the) congressional delegation has not been impartial.

'HIGH POWERED BOMB' EXPLODES AT NEWSPAPER OFFICE

PA051508 Paris AFP in Spanish 1434 GMT 5 Jun 87

[Text] La Paz, 5 Jun (AFP) -- Early today, the newspaper OPINION of Cochabamba, in central Bolivia, was the target of a high-powered bomb attack that caused serious damage but no injuries among OPINION personnel, according to Edwin Tapia Frontanilla, the newspaper's director. Tapia said that the reason for this attack against the newspaper, which is owned by a cooperative, is unknown, but that the newspaper has pursued a line of constant reportage on drug trafficking activities and wrongdoing in official circles, as well as defending sovereignty and Bolivia and Cochabamba's interests. Tapia said that OPINION will continue to struggle for freedom of the press and an improvement in society despite the attack. The police said that they are conducting an exhaustive investigation to find those responsible, and have mobilized personnel on the basis of initial clues found at the site of the attack.

DEL VALLE ON U.S. LETELIER REQUEST, BOLIVIAN OUTLET

PY090200 Santiago Domestic Service in Spanish 2300 GMT 8 Jun 87

[Text] The Chilean Government is reviewing both international and Chilean laws in order to give a reply based on various legal instruments to the U.S. State Department's request, Foreign Minister Jaime del Valle has said. After meeting for an hour with Chilean Ambassador to the United States Hernan Felipe Errazuriz, Del Valle met with an American attorney whose name was not disclosed to the press.

Del Valle said the American attorney came to Chile to give his opinion on certain aspects of the U.S. laws and some problems related to Chilean-U.S. relations.

[Begin Del Valle recording] We, of course, want to give a reply based on various legal instruments, namely international and Chilean laws. Thus, all these provisions are being studied. [end recording]

Del Valle said Chile will reply to the U.S. request in the next few days through the same diplomatic channels used by the United States to lodge the request' that is, through Ambassador Errazuriz. Del Valle said that it has not yet been decided whether Errazuriz will hand carry the Chilean reply when he returns to Washington by the end of this week.

During his stay in Chile, Errazuriz will discuss the U.S. request for the expulsion of former Army officers Contreras and Espinoza as well as regular coordination topics. [recorded passage indistinct]

Errazuriz, who arrived yesterday in Chile in the company of a U.S. attorney, told the press that he will stay in Chile for approximately 1 week. Errazuriz met with Foreign Minister del Valle, Foreign Ministry Policy Director Gaston Illanes, and Bilateral Policy Director Uldaricio Figueroa.

Errazuriz said he could not yet say anything about the Chilean Government's reply to the U.S. State Department's request for the expulsion of former Army officers Contreras and Espinoza to the United States to stand trial in the Letelier case.

Foreign Minister del Valle also described the people's reactions to the Bolivian sea outlet proposal as very interesting and very important. Del Valle said the prevailing trend shows that the people are opposed to relinquishing part of the Chilean territory requested by Bolivia.

Asked about the defense committees organized in the northern part of the country, Del Valle said there is freedom in Chile to carry out this type of activity.

[Begin Del Valle recording] In Chile there is freedom to hold this type of meeting. If the people feel this is the best way to express their opinion, they are free to do so. [end recording]

Del Valle said he is willing to meet with these groups because he has always maintained an open-door policy with everyone. Del Valle also announced that President Pinochet has accepted the resignation tendered by Chilean Ambassador to Argentina Arturo Fontaine Aldunate, who will terminate his duties on 30 June.

To Reply to Bolivia 'This Year'

PY060253 Santiago Domestic Service in Spanish 2300 GMT 5 Jun 87

[Text] Foreign Minister del Valle said that he has promised to make his greatest effort to lead his country to reply to the Bolivian proposal this year. He was speaking about the proposal made by Bolivian Foreign Minister Guillermo Bedregal to solve Bolivian's landlocked situation.

Del Valle also explained that the Bolivian proposal does not oblige or compromise Chile, adding that our country could present an alternative different to those presented by Paz Estenssoro' government.

The foreign minister said that so far he has kept strictly silent about this subject because he cannot comment, encourage, or restrict hopes.

[Begin del Valle recording] I have kept strict silence regarding this subject because a foreign minister cannot comment, encourage, or restrict hopes. A foreign minister must simply comply with the role assigned to him by the president of the Republic, which is to hear, listen, and learn the Bolivian proposal and then transmit it to the government just as it has been made. [end recording]

Del Valle said that if the Chilean Government makes a decision that contradicts one of the clauses of the 1929 treaty and its supplementary protocol, the Chilean Government will have to consult Peru. This could happen if Chile decides to accept the request to grant Bolivia a strip of land north of the city of Arica. Del Valle said that the following steps depend on President Augusto Pinochet.

[Begin del Valle recording, in progress]... the following steps will depend on the decision adopted by his excellency the president of the Republic. He has to appoint a committee to evaluate and examine all the studies the Chilean Foreign Ministry has made in the last month. [end recording]

Afterward, Del Valle reported that toward the end of June or the beginning of July, the Chilean-Bolivian Rapprochement Committee will meet. This committee has been carrying out work as usual, he said.

SANTIAGO INTENDANT, 23 UNDER SECRETARIES RESIGN

PY090340 Madrid EFE in Spanish 0319 GMT 9 Jun 87

[Text] Santiago, 9 Jun (EFE) -- The intendant of the Santiago Metropolitan Region and all of the 23 Chilean ministerial under secretaries today unexpectedly tendered their resignations, it was reported by Chilean Government sources.

Nothing has yet been reported about the reasons for this unexpected decision, which was announced today in the wake of a meeting held by President Augusto Pinochet with a group of at least 30 Army generals.

This meeting, which according to the government news agency ORBE was held all morning at La Moneda Palace, was not included in the daily official schedule of activities of the president released by the Presidential Press Secretariat.

General Fernando Matthei, Air Force commander in chief and a member of the Government Junta -- who 48 hours ago returned from a 3-week tour to Spain, the UK, and the United States -- made an unscheduled visit to La Moneda Palace shortly before noon to meet with Gen Pinochet. In the afternoon, a brief communique issued by the Interior Ministry stated that Santiago Intendant (an official of a higher rank than governor) Brigadier General Julio Jara Dacaud had tendered his resignation. In response to reporters' questions, the Public Relations Department of the Santiago intendant's office declined to give reasons for Jara's resignation, stating simply that Jara's successor, whose name was not revealed, will assume his post tomorrow, Tuesday. Shortly afterwards, the government news agency ORBE released a brief, 5-line note, stating that "all" the under secretaries of state had tendered their resignation to President Pinochet.

The purpose of the collective resignation was, according to the source, "to give the president freedom of action to make the adjustment he feels necessary at the ministerial level." According to the government structure, in China there are 16 ministries and 23 under secretaries of which 9 were occupied by civilians and the remaining 14 by military men. No comments have been made in political or diplomatic circles about the meetings between Pinochet, Matthei, and the Army generals or the resignations of the intendent and the under secretaries. Meanwhile, radio and television stations broadcast the official communiques and the brief government announcement.

PINOCHET SPEAKS AT INFANTRY SCHOOL CEREMONY

PY052318 Santiago Radio Chilena Network in Spanish 1700 GMT 5 Jun 87

[By reporter Nelly Yanez]

[Text] General Pinochet has said that he will never yield to those who have no understanding of the principles of our national heroes. He also said an effort must be made to understand the deep sense of the historic moment in which we are living, as well as the future.

During a ceremony, which took place in the local square, and was held to commemorate the 100th anniversary of the San Bernardo Infantry School, the chief of state said that if we do not make an effort to carry out a real crusade in defense of our country, Chile will fall victim to hatred and destruction.

[Begin Pinochet recording, in progress] ...given the danger it represents, all my fellow countrymen should make an effort to understand the deep sense of the historic moment in which we are living, as well as the future. If we do not make an effort to carry out a real crusade in defense of our country, Chile will fall victim to hatred and destruction. [end recording]

Gen Pinochet added that Chile must continue with its objectives to attain full development of the country. I ask you, he said, to think about our country and its future because we are all responsible for the present and the future.

As you know, he added, in recent years, our country has lived through electoral promises and expectations. However, instead today we are building a free society where each Chilean is totally responsible for the present and future. Gen Pinochet concluded his speech by saying that he will never yield to those who have no understanding of the principles of our national heroes.

STATE OF EMERGENCY EXTENDED IN TWO PROVINCES

PY082310 Madrid EFE in Spanish 1823 GMT 8 Jun 87

[Text] Lima, 8 Jun (EFE) -- The Peruvian Government today extended for 60 days the state of emergency in Daniel Alcides Carrion and Pasco Provinces in Pasco Department, Peruvian central mountain region. According to the communique published in the official daily EL PERUANO, the reason for the extension is that "acts of violence" continue in those zones.

The state of emergency entails the suspension of individual rights, and the political and military control by the Armed Forces of the zones in question.

Eight provinces in Ayacucho Department, seven provinces in Huancavelica Department, and one province in Apurimac Department, all of them south of Lima, are also under a state of emergency. The state of emergency is also in force in a province and a district of another province in Huanuco Department, in Peru's northern jungle area.

Finally, a state of emergency has been in force in Lima Province, including the city of Lima, and the constitutional province of El Callao, which is the port of Lima, since February 1986. A curfew from 0100 to 0500 has also been in effect in both places as of the same date.

Approximately half of the Peruvian population, totaling some 20 million people, live in zones under the state of emergency.

RESOLUTION APPOINTING NEW POLICE CHIEFS RELEASED

PY081622 Lima Panamericana Television Network in Spanish 0400 GMT 8 Jun 87

[Excerpt] [Passage omitted] At a news conference at Government Palace this afternoon, Interior Minister Abel Salinas read a resolution appointing the new Police Forces director general, the new Civil Guard director, and the new Republican Guard director.

[Begin Salinas recording] First: On 20 May, after the police mutiny was brought under control, the police chiefs requested their retirement from active service in a commendable dignified gesture.

Second: Considering that the principles of authority and discipline were breached during the 15-16 May events and that the hierarchy took no action to contain disorders, the government has decided to accept their retirement requests.

Third: The government ratified that by accepting petitions regarding salaries and material needs, it has acted in accordance with its policy to guarantee the income of all Peruvians. However, since such acceptance does not mean overlooking acts that seriously affect the principles of authority and discipline, the security of the population, and the constitutional order, the government must adopt the appropriate legal measures.

Fourth: Consequently, the following officers will assume the command posts: General Octavio Enrique Herrera Pulo as Police Forces director general, General Ruben Carmen Romero Sanchez as Civil Guard director, General Raul Jares Gago as Republican Guard director, General Cesar Silvio Ramirez Perez as Civil Guard inspector, General Carlos Alcides Duran Torres as Republican Guard inspector, General Alfedo Diaz Salvador as Seventh Region subdirector of the Civil Guard in Lima, and General Adolfo Cuba y Escobedo as Seventh Region subdirector of the Republican Guard in Lima.

This is what I wanted to report to you, Messrs journalists. [end recording]

GOVERNMENT, AUXILIARY POLICE DISCONTINUE TALKS

PY051308 Lima Radioprogramas del Peru in Spanish 1225 GMT 4 Jun 87

[Excerpt] The government severed the talks with a commission of auxiliary police personnel following a meeting with Deputy Housing Minister Jorge Ordonez and Interior Minister Abel Salinas. Members of the police negotiating commission have announced that they will hold a meeting today to adopt new measures in view of the government's refusal to meet their salary demands. [passage omitted]

POLICE, SOLDIERS SENT TO FIGHT UCHIZA TRAFFICKERS

PY051929 Madrid EFE in Spanish 2311 GMT 4 Jun 87

[Text] Lima, 4 Jun (EFE) -- Five hundred policemen and soldiers have been dispatched to fight drug trafficking and terrorist groups in Uchiza, in the forest region. The announcement was made today by Interior Minister Abel Salinas, who said that the combined forces are being supported by armed helicopters.

There is no official report, however, on the situation in the northern Department of San Martin, where drug traffickers and Shining Path elements seem to be acting in concert.

The combined forces are trying to locate the group which last Monday destroyed the police post in Uchiza, killing a captain and five members of the Civil Guard, and wounding four guardsmen during a 7-hour confrontation.

Civil Guard Colonel Jesus Pajuejo reported that, despite the hostile climate against the authorities in Uchiza, the bodies of the policemen killed were recovered, and the wounded and survivors of the attack were rescued. He further reported that to reach Uchiza, his men had to fight the armed groups that were deployed along 12 km before the town. Travelers from Uchiza to Tarapoto, which is also located in the San Martin Department, have reportedly said that nobody can move through this area without the approval of the drug traffickers, and that any one who does not obtain this permission is killed.

Ulises Vargas, one of the policemen who survived the killing at Uchiza, said that at least 40 assailants have died in gunfire that continued until the police ran out of ammunition. It is estimated that about 300 Shining Path members participated in the attack on Uchiza. According to newspaper reports, this band has also occupied the town of Tocache.

Colonel Pajuelo has told the newspaper EXPRESO, which today published his statement, that in Uchiza "all the authorities are involved in drug trafficking and that the police do not receive any help from Lima, despite repeated requests."

The newspaper EXPRESO also reported that the head of the Uchiza Development and Defense Committee has made available to the drug traffickers eight vehicles in which to transport their dead to a nearby river where the bodies were thrown.

The Uchiza residents have said that the drug traffickers, equipped with modern arms, have control of the situation.

Guerrillas 'Control' Province

PY081821 Madrid EFE in Spanish 1822 GMT 6 Jun 87

[Text] Lima, 6 Jun (EFE) -- The Peruvian Shining Path guerrilla movement has taken control of the Tocache Province, in the jungle of San Martin Department. It has named authorities, and is charging taxes in region.

Meanwhile, the National Defense Council has met three times in less than 24 hours in Lima, and it has been made known that it is analyzing the situation in the San Martin Department.

According to the newspaper LA REPUBLICA, Shining Path members arrived in Tocache last May, blew up the town hall and expelled the Tupac Amaru Revolutionary Movement [MRTA] group that had arrived earlier.

LA REPUBLICA reported that the MRTA had formed an alliance with the local drug traffickers, but once the Shining Path arrived, the MRTA and local authorities fled from the place. Only the cocaine traffickers remain. The Shining Path has formed a committee to administrate the economy of the Tocache Province. The Shining Path members have harangued the local inhabitants and spoken about "President Gonzalo;" that is, Abimael Guzman, the founder of this criminal organization.

The Shining Path has named new authorities and requested the banks to pay a contribution. They have given the banks a deadline until 7 June. According to the newspaper, some banks have already been authorized from Lima to pay. The police have remained in Tocache but they take orders from the Shining Path, according to LA REPUBLICA.

The drug traffickers also pay the contribution imposed by the Shining Path group which has also drawn up a list of names of all the inhabitants of Tocache. As if it were not enough, LA REPUBLICA states, the Shining Path has taken over the roads of access to the towns of Paraiso, La Morada, Venenillo, Bellavista, Agua Blanca, Palo de Acero, Monzon, and Aucayu.

According to the newspaper, on 1 June the Shining Path attacked the police garrison in Uchiza, killing six policemen. In the town of Aguaytia, they killed 12 people and set fire to police stations, government offices, and saw mills.

The government has sent to Uchiza 500 policemen and soldiers to recover control in the region and combat the Shining Path gangs.

The National Defense Council is presided over by President Alan Garcia and made up of Prime Minister Alva Castro, Foreign Minister Allan Wagner, Interior Minister Abel Salinas, the defense minister, the Armed Forces Joint Command president, and the commanders of the Army, Navy, and Air Force.

NEW NATIONAL DEMOCRATIC PARTY PROCLAIMED

FL082054 Paramaribo International Service in English 1730 GMT 8 Jun 87

[Text] The National Democratic Party (NDP) of Suriname was proclaimed yesterday at the (Almos) sports hall. The party will bring together Surinamese, regardless of race, color, or creed. The motto of the NDP is togetherness in thinking, togetherness in participation, and togetherness in decisionmaking in the development of Suriname. Candidate Chairman Jules Wijdenbosch noted during his address that whoever is sowing the ideology of participation and at the same time fertilizes that ideology with togetherness in thinking, participation, and decisionmaking, will reap true democracy. The launching of the party will take place on July 5.

I think that on November 25th something very great will happen. These were the words of Government Leader Desi Bourterse yesterday during the proclamation meeting of the National Democratic Party. Bourterse, who is one of the founder members of the party, believes that there will be a breakthrough in the elections of November 25th because the basic ideals of the party, togetherness in thinking, participation, and decisionmaking mean a lot to the people. The three traditional political parties, which were invited to the proclamation were absent. Bouterse said the invitation was meant to prove that the NDP is willing to cooperate for unity, adding, we are political rivals but as Surinamese we are not enemies to each other. He also said that the church boards have blocked their leaders to say prayers at the proclamation of the NDP.

DE WARE TIJD NEWSPAPER RESUMES OPERATIONS

FL042105 Bridgetown CANA in English 2057 GMT 4 Jun 87

[Text] Paramaribo, Suriname, June 4, CANA -- The DE WARE TIJD newspaper, closed because of a newsprint shortage, has re-started operations with the publication of a bulletin. For the first time the bulletin was distributed among media workers.

The DE WARE TIJD newspaper has been absent from the news stands since April 16. The editor of the newspaper, Leo Murporgo, said he had the feeling there were motives other than the lack of foreign exchange for his newspaper's failure to obtain such currency to import newsprint.

He noted that another paper which had sent in its request for foreign exchange months after his paper had done so, had already received approval for the importation of newsprint. The DE WARE TIJD is the biggest of the two dailies in Suriname. It was forced to close during the first half of last year until it received supplies which allowed it to continue publishing until April 16.

A spokesman for the other daily, DE WEST, said if the current foreign exchange situation did not improve, it would also be forced to close operations.